Featuring Insurance

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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WESTERN FARMER IS SOLVING OWN FARM PROBLEMS

Tariff is Bigger Issue at Ottawa Than in the West

CUTTING EXPENDITURE

Commons Alive to the Demand for Lower Taxation—Business More Healthy—Bank Debits Increase

To judge by reports of the proceedings at Ottawa one might almost come to the conclusion that Western Canada had suspended activities with little prospect of resumption unless there is a material reduction in the tariff on farm implements. However, information coming directly from the prairie provinces is in satisfactory contrast. True, there is something of an agitation, encouraged by the politicians, for tariff reduction, but for the most part the farmers are applying themselves to the solution of their individual problems—to reducing costs, and to increasing production—so as to put their farms on a profitable basis. This is well, because the strong representations which have been made at Ottawa as to the dangers of tariff reduction have evidently had their effect on the government; advocates of tariff stability are gaining ground. Acting-Finance Minister Robb has assured a deputation from Hamilton and other industrial centres that no industry would be hurt. The House seems more concerned with the reduction of expenditures and taxation relief to meet the pressure of public opinion than a tariff adjustment which would reduce revenue. Practical suggestions from the economic conference as to elimination of departmental overlapping and reduction of civil service costs have been accepted, evidently in the proper spirit. The desire for economy has been again brought out in the attitude of the House towards the National Railway branch lines proposals—there is a demand that new projects be justified from a transportation rather than a political standpoint. Business is still awaiting the budget with interest; there is little change in the general situation; trade is in fair volume only, but weak features have been overcome.

Farmers Solving Problems

In the Saskatchewan legislature the other day, A. J. Dowd, member for Kerrobert, told what farmers in his district had been accomplishing in the direction of making their farms return larger dividends. J. O. Wyler of Luseland, had grown the finest wheat on the North American continent a couple of years ago, as he had demonstrated at the International Hay and Grain Show at Chicago when he had won the sweepstakes for the world's best wheat. Jack Strange, of Kerrobert, had raised from a colt on his farm the best Belgian mare on the continent, as the sweepstakes he had won at Toronto and Chicago had testified, and Ben McLeod, of Dodsland, was another farmer whose livestock had brought fame to the district. Mr. Dowd held that this was one of the most hopeful signs of better times coming, the manner in which farmers in different parts of the province were undertaking the improvement of their grain and their livestock. "We still have hard times here ahead of us," he said, "but we are facing the future hopefully."

Likewise, in the speech of Hon. T. A. Crerar before the economic conference at Winnipeg recently, there were evidences of the tendency of the farmers to deal with the practical problems of production rather than depend upon political agitations and legislative measures to meet the situation. Mr. Crerar made passing reference to the tariff, but more important than these things he emphasized the need for better farm management, and for lower costs for the things the farmer has to buy, rather than higher prices for the products he has to sell. On the question of farm management, he declared that the successful farmer must be a financier and an executive, with a knowledge of marketing conditions and the science of agriculture and stock-raising, as well as a good laborer. And from this he effectively made the point that such a farmer

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St. Lawrence Paper Mill Bonds on 6.60% Basis

From Our Own Correspondent.

MONTREAL.—Nesbitt Thomson's offering of St. Lawrence Paper Mills bonds was made this week at 99, yielding the investor 6.6 per cent. The amount of the issue was $2,500,000. The bonds are a 6½ per cent. twenty-year issue.

The circular offering the issue pointed out that the directors and their associates have themselves invested about $2,500,000 in securities of this enterprise that are junior to the present issue of bonds.

Assets were given a valuation of $5,381,468, and net earnings are estimated at $650,000 a year after depreciation.

Western Quebec Power Meets Its Bond Interest

From Our Own Correspondent.

MONTREAL. — Western Quebec Power, which passed its bond interest temporarily last January, met the coupons and the sinking fund payments on April 1 as promised. The company's trust deed allows it 90 days' grace in the payment of bond interest, and due to the serious situation created by the breaking of a dam above the company's power plant on the North River near St. Andrews, the company took advantage of these days of grace. The accident involved the company in the expenditure of a large amount of money for a new dam, money that had to be spent without delay to save the homes and perhaps the lives of the residents of a number of villages.

The company may be forced again to take 90 days grace on its next half-yearly bond interest payment, but it has the satisfaction of knowing that the money it is spending is going into new and modern construction work.

ONTARIO GRAFT CHARGES MUST BE CLEARED UP

Transactions With Home Bank Are Under Cloud

Further revelations of alleged irregularities in the conduct of provincial business in Ontario during the past week have strengthened the feeling in financial circles that the probe of the Public Accounts Committee of the legislature should get to the bottom of the situation. The early disclosures of the purchase of free from succession duty bonds at prices many points above the current market, and huge profits on exchange in connection with provincial loans in New York have been followed by an extension of the probe, and the evidence adduced to indicate other irregularities.

Rumors that big commissions had been paid by the defunct Home Bank for influence in securing deposits from public bodies, especially the Ontario government, have been confirmed by testimony of former officials of that institution. The finding of an entry in the cash book at the headquarters of the bank in Toronto reading: "Refund re $4,000,000 issue, P. Smith, $15,000," has added further to the interest in the rumors. It is pointed out that a $4,000,000 issue was purchased by the Home Bank and sold later to Toronto brokers at a substantial profit. Employees of the bank stated to the auditor that they understood any profit in excess of 1¼ per cent. was returnable to the province. The rebate is said to refer to an issue sold in September, 1919, to the bank by Hon. T. W. McGarry, former provincial treasurer. This issue brought the government $3,779,000, which works out at a price of less than 94.50. If the bank sold the bonds at 98 it realized a profit of 3.52 per cent. This appears large in a case where the bonds were turned over in bulk and not distributed to ultimate investors. Speeches in the legislature hint that it may be advisable to go back further in the present probe. In view of the evidence now made public and the credence which rumors easily gain, financial men feel that the whole situation should be fully investigated and the facts ascertained.

The final price which the province will receive on future issues will depend chiefly on the opinion of large investors, such as the officers of large trust companies, and bond men. Consequently, it is important that the methods employed in disposing of issues are ethical in every sense, and that the administration is kept free from corrupt influences. As much of our money for future development must come from the United States, financial men caution that it is necessary to avoid any action which may have an adverse effect on the market for Canadian bonds.

BESCO ON BETTER TERMS WITH LABOR

Wolvin Interests Hold Control Without Difficulty—Conditions Are Improving

From Our Own Correspondent.

SYDNEY.—With the passing of the annual meetings of Besco and its principal constituents, the MacDougallites and other local factions have practically abandoned hope for this year of being able to undermine the Wolvin regime. The voting of the shareholders has served to show the weakness of the opposition.

Many features of the president's report have tended to create renewed confidence among business people at the scene of Besco operations. It is a fact that industrial relations between the company and its labor show a marked improvement during the past few months; General Manager Kelly frankly predicts new and large rail orders as well as a general upward trend in the steel business; and large expenditures on development work at O'Neil's point and elsewhere show that a brisk coal trade is anticipated. On the whole, the eastern business outlook is improving wonderfully.

What are We Going to do About the War Debt?

By a Student of Public Finance.

What is Canada going to do about her war debt? The obligations of the country were increased from $336,000,000 in 1914, to $2,450,000,000 in 1923. The debt is a heavy one but Canada has great resources. Already some progress small though it may be—has been made in reducing it; the total for the fiscal year 1924, March 31, should show a reduction of about $40,000,000. There is no need to feel panicky about the situation, but there is a real need to put the debt on a proper basis—to consider the war obligations as something of a special character which must be discharged under some definite plan. The budget must be framed with this end in view. Only in this way can Canada face the future with confidence and hope for relief from the heavy burdens of taxation.—Editor.

The national financial alarm clock is ringing insistently. The first call has been for reduction of taxation; the second will be for reduction of debt. These two problems are intimately related in any consideration of the national fiscal policy, but it is a matter of note that the toll of taxation on the pockets of the Canadian people has been getting much more attention than has the underlying question of national debts.

The reckoning time has come. The people will no longer rely upon the faith cure to remedy unbalanced budgets, growing debts and unwarranted taxation. Certainly no country in the world has better security for her debts than Canada, but Canada is not exempt from the axiomatic principle of public finance that public borrowing without provision to meet interest charges and ultimate redemption will lead to serious fiscal embarrassment. CANADA MUST ARRANGE HER FINANCIAL PROGRAM TO TAKE CARE OF THE WAR DEBT — AND OTHER DEBTS.

For the past decade we have been wandering in a fool's paradise, gathering in money at high interest rates without providing for its repayment in a reasonable number of years. Even last autumn when $172,000,000 of 1923 Victory bonds came due there was an evidence of this policy in the refunding operations. Instead of attempting to refund a smaller amount, $200,000,000 of bonds were sold and the interest charges mounted accordingly.

SHORT SIGHTED PUBLIC FINANCING

Canada has relied upon a short-sighted policy of meeting war expenditures by borrowing. From 1914 to 1921 the federal revenue was insufficient by $78,500,000 to meet ordinary expenditures and advances to railways. The other main item of expenditure for war and demobilization, amounting to $1,681,500,000, had to be met by issuing Victory and War bonds and other instruments of indebtedness.

The consequence was an enormous increase in the net debt, which is exclusive of direct and guaranteed bonds issued for "productive" undertakings or active assets, from $335,996,850 in 1914 to a high point of $2,340,202,552 in 1923. The interest and ultimate redemption of these bonds is a charge upon what have been the comparatively stationary earnings of the Canadian people who have increased in population only about ten per cent. in the same period.

PILING UP THE DEBT

More particularly it should be noted that this burden has increased from about $1,500,000,000 at the time of the armistice in 1918, to somewhat less than $2,500,000,000 at the present time.

While Great Britain, United States and parts of the British Empire have been able to balance their budgets and steadily reduce their debts Canada has not only added a billion dollars but has inflicted tax experiments almost to exasperation!

While it is highly desirable that the principles and policies of debt reduction through refunding, sinking fund, serial and instalment bond operations should be the subject of immediate inquiry it is, nevertheless, imperative that there should be a preliminary examination of the practices of debt creation to avoid a confusion which might lead to lamentable results in our national development.

CLASSIFYING THE PUBLIC DEBTS

In such a young country as Canada the various governments borrow funds for two main purposes—productive and unproductive expenditures. In the first class are the capital expenditures upon bridges, post offices, customs houses, subsidies for dry docks, power developments and other permanent public works where revenue from fees may reasonably be expected. To be truly productive this revenue should be immediately or in the future sufficient to cover operating charges, depreciation, interest and a surplus for the retirement of the debt over a period of years. In such a case the public works are not a charge upon the taxpayer and providing the activities cannot be performed more advantageously by private enterprises such expenditures are justifiable even though they increase the national debt.

On the other hand there are public works of a character which yield no profit, there are social welfare activities and government services which, if extended too far, may result in a deficit which must be covered by the issue of bonds. From a broad point of view they are the frills and luxuries which should be reduced as far as is possible without impairing government efficiency. It is this class of expenditure which, from now

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CANADA'S NET DEBT

1914	$ 335,996,850
1915	449,376,083
1916	615,156,171
1917	879,156,298
1918	1,191,884,063
1919	1,574,531,032
1920	2,248,868,623
1921	2,340,878,983
1922	2,422,135,801
1923	2,453,776,868

Canadian Power For Canadian Industry

Indications are not lacking of propaganda to secure legislative concessions in regard to the exportation of Canadian hydro power to the United States. American capital to develop Canadian resources is the price being offered. While THE FINANCIAL POST does not agree with those who go so far as to argue that American capital should not be considered for the development of such resources, we do believe that it would be a short-sighted national policy to accept such capital at the price of our power assets. The story from New York that American capitalists are ready to spend millions on the St. Lawrence brings the situation to a head.

But one may well ask, why not permit the export of power; we cannot use it now so why adopt a dog in the manger policy and not permit the United States use it? Why not sell the power and thus get a revenue from power that is running to waste?

The answer is, very briefly, that experience has proven that industries follow cheap power; where there is plenty of hydraulic energy industries will congregate. If American industries find that they cannot get Canada's cheap power except by locating factories here, they will come across to Canada to manufacture; at least for their Canadian trade and largely for their export trade. There is one large American factory at the present time manufacturing a product that is largely the result of the application of large quantities of power to a small amount of raw material. The labor cost is also small; it is a factory built on cheap power entirely. The heads of the plant have stated that if they could not obtain Canadian power except by building their plant in Canada they would scrap their American plant and come to Canada.

If Canada were to permit the wholesale exportation of water power it would hand over without reservation one of its greatest assets. It would transfer to American manufacturers cheap power that they would use in the manufacture of goods to flood the Canadian market. By refusing to permit the exportation of power, Canada loses some small revenue to-day and a large amount of power is allowed to go to waste, but the development of Canada will soon take up the slack. When it is realized that Canada's power is only for use in Canada, industries will come to Canada to use the power. It will not be many years until all the power in Canada will be in use; we should not grasp at the dollars of the minute to sell the more glorious heritage of the future.

It might be well to ask exactly what Canada is losing now by refusing to permit the export of power except in a small way. The total revenue of all the electric power stations of Canada in 1922 was only $82,000,000. Obviously then Canadian water power is not valuable for its direct contribution to the annual income of the country. It is valuable because it makes possible industries that contribute many times $82,000,000 to the national wealth each year. The power that would be exported would add a few millions more to the $82,000,000 we are now receiving from our power developments, but it would in time to come rob Canada of the vastly greater revenue that the retention of the power for our own use would insure.

Sir Lomer Gouin is one of the few public men of Canada who has had the courage to take a definite stand against the export of Canadian power. It is to be hoped that his warning will be heeded and that the country's future industrial development will not be sacrificed to some small increase in present income.

SUGGEST BANKERS AND COMMITTEE TALK THINGS OVER

To Consider the Bank Act in a Practical Way

Special Correspondence

OTTAWA.—The prediction of THE FINANCIAL POST that the House of Commons rather than the government would have the deciding voice as to what is to be done about the Home Bank and the Bank Act has been borne out in the passage of a resolution referring the whole matter to the Standing Select Committee on Banking and Commerce, which will have access to all information obtained by the royal commission. The committee will recommend as to strengthening the Bank Act, protecting Home Bank depositors, etc.

The Bank Act has undoubtedly been greatly strengthened as the result of the amendments passed at the last session of parliament, but the House reflects public opinion rather than financial opinion, and there is a popular feeling that the Home Bank affair has indicated that the interests of depositors are not effectively safeguarded. There is also a widely-held opinion, as expressed by the Moose Jaw Times recently, that "it is the contention of the Canadian Bankers' Association that the present Bank Act is a perfect piece of legislation and impossible of improvement," and that the association opposes all changes, whether in the public interest or not.

The situation is that the members of the House feel that the assurance of the Canadian Bankers' Association that the Bank Act is all right will not be acceptable to their constituents. The attitude which the association has generally maintained towards amendments has not made a favorable impression; no credit is given to it for the amendments made during the last session, which are now referred to as important safeguards.

Under all the circumstances, and in view of the fact that the whole matter has been referred to a standing committee, it is believed that something could be done to effect a practical solution through the appointment of a sub-committee to meet representatives of the Canadian Bankers' Association and talk the whole thing over. It is appreciated that the bankers are really anxious to introduce any workable safeguards which will restore public confidence, and that the best way to accomplish this is at a round-table conference rather than a public inquiry.

SALES TAX MORE; INCOME TAX LESS

Customs Receipts Have Not Increased With Expansion of Imports

From Our Own Correspondent.

OTTAWA.—The revenue during March did not come in as well as had been hoped, that from customs and excise being about $3,400,000 below receipts for the same month last year. At the same time receipts from the sales tax were so good during the earlier months that customs and excise revenue generally during the 12 months was $20,367,000 over that for the preceding period.

It would, however, be a mistake to conclude that the total revenue has been increased by this amount. The income tax is not yielding as much as it did a year ago, when total collections for 1922-23 were $59,711,000. Indeed, it is doubtful whether during the year just closed it brought in more than $54,000,000. There has also been a falling off in collections through the business profits tax, and that probably to the extent of $7,500,000. So the decreases in these two items alone will probably eat up $13,000,000 of the slightly over $20,000,000 that customs and excise brought in over 1922-23.

The sales tax has probably brought in $16,000,000 more than it did during the last fiscal year. Customs, however, has not yielded revenue to anything like the extent that imports have increased. In the fiscal year 1913-14 the customs collections on $618,500,000 worth of imports were $104,691,000; during the fiscal year just closed they were $133,500,000 on imports that will run close to $900,000,000.

LIBERAL QUEBEC VOICES PROTESTS TO TARIFF CUT

Big Gathering of Manufacturers Held at Montreal

FARMER PROTECTION

Is Strongly Urged by Leading Speaker—Both Parties Unsound on Tariff Policy—Keep Canadians Home

Special Correspondence

MONTREAL.—Any idea that the opposition to federal tariff reduction, as intimated in the Speech from the Throne, is confined to the manufacturing centres of Tory Ontario was dispelled by a gathering on Friday of over four hundred manufacturers from Liberal Quebec at which protests of the strongest kind were registered against any proposal to reduce the protection considered necessary for the prosperity of the industry. It was one of the largest meetings ever held by the C. M. A. in the province. Practically every industrial centre was represented and there was no doubting the tenor of the gathering from the demonstrations caused by protests against tariff reduction.

Quebec has been losing her population to the bordering States and references to the necessity for keeping Canadians in Canada as being more important even than securing newcomers from abroad were heartily applauded. The speakers included Paul E. Joubert, chairman of the Quebec Division; J. H. Fortier, Quebec, second vice-president of the C. M. A.; W. S. Fallis, Sherwin-Williams Company, Montreal; L. P. Deslongchamps, Montreal, president, Boot and Shoe Manufacturers' Association; A. P. Robitaille, Quebec; R. C. Wilkins, Farnham; J. A. Alain, Victoriaville; C. A. Christman, Drummondville; C. T. Trotter, St. John, and J. A. Laframboise, St. Hyacinthe.

Typical of the addresses delivered was that of J. H. Fortier, Quebec, who, in opening, stated that his contribution "would be a short study of the vital importance of protection for

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Smaller Wheat Acreage in West Seems Likely

From Our Own Correspondent.

WINNIPEG.—Although a period of colder weather has been experienced on the prairies, the indications are that spring plowing and seeding operations will get underway soon after the middle of the month. Unusually light snow falls have been recorded in Western Canada during the past winter, and for the most part this has disappeared. Already there has been some freak reports of early seeding, but these are not indicative of general conditions.

The opinion appears to be that the wheat acreage will show a decline this season, owing to generally unfavorable markets, and to the fact that the difficulties with rust in the southern areas last year is having a generally intimidating effect.

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ADMINISTRATION OF COMPENSATION ACT STANDS UNCHANGED

Legislature Drops Bill Proposing Radical Changes in the Measure

A TOLL ON INDUSTRY

Government Has Definitely Withdrawn $100,000 Grant to Cover Board's Costs

The Ontario Compensation Board administration will remain unchanged for this year, while amendments to the Act will be of unimportant nature. Industry faces further taxation, however, for the government has announced that the usual $100,000 grant, to aid the administration of the Act, will be withdrawn. Thus with the exception of the salaries of the commissioners, which are paid out of consolidated revenue, industry must share the whole burden of compensation and administration.

The radical changes in the administration, proposed in the bill introduced in the present session of the legislature, have gone by the board. Both industry and labor raised objection to a one-man board with provisions for appeal, with the result that Premier G. Howard Ferguson allowed it to drop. Two minor amendments have been proposed, however, and these may become law. One provides for the board to assist in rehabilitation of injured workmen, the other extends the reciprocal clause. In the past, compensation paid to dependents resident anywhere outside Ontario was based on the rates paid in that province or country. Under the amendment the Ontario rates will apply to dependants resident anywhere in Canada, while the old reciprocal arrangement will apply to other countries.

Quebec continues to conduct hearings, gathering views on a new compensation law for that province. Labor representations differ widely. Some radical demands are being made, while some of the unions request a measure modelled along the lines of Ontario.

Manufacturers are opposed. Their contentions are much the same as those of the manufacturers of Ontario. They oppose state control generally and allege that an Act such as labor desires might become a burden on industry, produce malingering on the part of the workers and hamper competition with other countries by increasing the cost of production. It is expected that the commission will present a preliminary report to the legislature during the present session.

The table of provisional rates for 1924 of the Ontario Workmen's Compensation Board has just been issued, and it shows a general scaling up of rates when compared with the adjusted rates of 1923. The increase runs about 10, 15, and 25 cents, practically all through the list. Some rates are the same, but none are lower.

British Empire Trade Big Thing for States

From Our Own Correspondent.

OTTAWA — The following is a good example of how the United States grows fat on the trade of the British Empire. In September, 1923, the Republic exported 678,000 dozen lead pencils; and of these, 300,000 came to Canada, 156,852 doz. went to the United Kingdom, 73,600 doz. to Australia and 13,000 doz. to British India.

Of 30,837 gross of metallic pens exported by the United States during that month, the United Kingdom took 16,000 gross.

Statements just issued from American sources show that of re-exports of foreign imports last year totalling $72,000,000, no less than $24,000,000 were sent to Canada, one of the most important classes of these imports being bananas, imported into the United States from foreign countries, and then re-shipped on to us.

Match Wood Plant Is Being Enlarged

From Our Own Correspondent.

NELSON.—An extensive addition to the plant of the W. W. Powell Company, manufacturers of white pine blocks for matches, and whose product has been shipped as far east as Hull, Que., is under way in the erection of a plant for the dressing and storing of lumber.

At the present time the company is selling most of its match blocks in Spokane, Wash. It is unloading 2,000,000 feet of logs from railway cars, and a material increase in staff will be made shortly.

The sawmill of the A. G. Lambert Company at Taghum is to open shortly, and a larger output than last year is planned.

Labor Leader Change Should Help Situation

SYDNEY.—No particular change in the Cape Breton industrial situation is anticipated as a result of the resignation of Silby Barrett from the office of provisional president of District 26, U.M.W.

The radicals, of course, claim Barrett was fired by Lewis. In other quarters the incident is taken as evidence that the U.M.W. is about to withdraw from the province.

The facts are that Barrett was disgusted with the failure of the International to advance $100,000 required as a district loan to pay off debts incurred during the suspension of work in January and February. John L. Lewis stood on the letter of the U.M.W. constitution and refused the loan, with the result that local merchants will now have to wait some weeks or possibly months until the district can raise enough local funds to redeem its "relief orders" issued in the belief that the International was lending financial support.

William Huston, the new provisional president, is a West Virginian, and under his guidance it is expected the labor conditions in Cape Breton will continue to improve.

COMPENSATION BILL HELD UP IN ALBERTA

An Attempt to Rush Measure Through the Legislature Leads to Trouble

From Our Own Correspondent.

CALGARY.—There has been a big rumpus caused among the members of the provincial house in connection with some amendments to the Workmen's Compensation Act. There is abundant evidence to show that it had been the intention of Hon. Alex. Ross, Labor member of the Cabinet, to have these rushed through, but, unfortunately, the beans were spilled by the Alberta Labor News, which prematurely published a story that everything had been cut and dried and that the amendments had been introduced into the Legislature, when they had, as a matter of fact, not even been discussed by the Cabinet.

The Labor minister contends that the amendments, if adopted, would only put Alberta on a par with the other provinces of Canada, but this is seriously disputed by the Alberta branch of the Canadian Manufacturers' Association, and the Coal Operators' Association.

R. M. Young, the commissioner of the latter organization, while the amendments were in the committee stage, produced facts and figures which showed that as the Alberta mining scale was the largest paid in any province in Canada, or State in the Union, the compensation rate was bound to be correspondingly higher under present conditions. The increased scale, he asserted, would make the compensation rate higher in Alberta by a large degree than in any other province.

It was in view of this statement that the Cabinet realized that it was a much more serious matter than it appeared at first sight, and it is reported that there has been considerable feeling caused among some of the Cabinet members at Mr. Ross' attempt to "railroad" the resolutions through.

It has, therefore, now been decided that before the bill goes into committee of the whole house it will have the matter thoroughly threshed out by a specially appointed committee.

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

AUSTRALIA.—The operation of the increased duties on the items shown below, previously deferred to March 31, 1924, has been further postponed until September 30, 1924: Iron and steel sheets and plates, plain tinned. Iron and steel tubes or pipes (except riveted, cast, close-jointed, or cycle), not more than 3 inches internal diameter; iron and steel boiler tubes. Cutlery, not specified. Citric acid. Hoop iron and steel (except of ½-inch thickness, and widths ranging from 1 to 2 inches).

BRITISH INDIA.—Spraying machines used for agricultural purposes and component parts thereof which can be readily fitted into their proper places in the machines and can not ordinarily be used for purposes unconnected with agriculture have been exempted from the payment of the 15 per cent. ad valorem duty formerly leviable.

BRITISH GUIANA. — All industrial and agricultural machinery, including machines for reaping and preparing rice for the market, imported into British Guiana are exempted from import duties. These articles were formerly subject to a duty of 5 per cent. ad valorem under the general tariff, but were already free under the British preferential tariff. Duties on oxen, bulls, and cows have been increased from $6, general tariff, and $3, preferential tariff, to $10 and $5 per head, respectively.

BRITISH GUIANA.—A provision has been made that the regulations formerly applicable only to goods of German manufacture shall be applied to goods from all countries with depreciated currencies; i.e., that the value of the imports from such countries, when subject to ad valorem duties, shall be calculated in sterling according to the value of the goods of similar character imported from other countries.

PACK FOR EXPORT TO SUIT BUYERS

The Experienced Exporter Follows the Instructions of Customers Closely

The fact that packing for foreign markets usually calls for methods radically different from those used in preparing goods for domestic shipment can not be too strongly impressed on manufacturers about to enter the foreign field. The experienced exporter makes it a rule to follow the instructions of his customers, knowing that they understand the conditions in their own countries much better than does the shipper thousands of miles away.

Methods of marketing may require units of merchandise differing from the domestic, says a bulletin of the U. S. Department of Trade and Commerce. Climatic conditions may make necessary unusual protection of goods. The size and weight of containers may be limited by the transportation facilities of the country of destination. And the laws and customs of the country may call for marking at variance with our own practices.

The customs duties, in many cases, make a special type of container necessary. For example, if duties are assessed on the basis of the gross weight of the container and its contents, the customer will desire the lightest case consistent with safe carriage, and will want the goods packed without an excess of excelsior, paper, or other packing material. In many instances he orders goods baled because of this fact.

Then, too, if a container of a certain size or type be ordered, which is at variance with the usual standard, the foreign customer may have in mind the reuse or resale of the container.

A safe rule to follow is to give customers the quality of goods ordered, and to pack and ship them as directed. One of our oldest exporting houses has built up an immense business with the thought in mind that "the recollection of quality remains long after the price has been forgotten."

Thinks Consular Fee Would Hit Importers

Sarnia, March 28, 1924

Editor, THE FINANCIAL POST,

Sir:—In your issue of March 21, there is a half column complaining because the Department of Trade and Commerce has not been able to impose a system of consular invoices on imports into Canada, as certain officials were anxious to do. These complaints will not be echoed by importers. So far as can be made out from this end the United States system of consular invoices is simply an excuse for collecting fees. It makes no difference who pays them. Such a system applied to imports into Canada would impose an additional charge on the Canadian buyer.

Many of our purchases in the United States are such raw materials of industry as steel and fuel. The Canadian buyer gets this stuff only by going into the open market in the United States and paying the going price in United States funds. In fact the customs regulations make it a crime to buy any cheaper, and the duty is collected on the United States market price plus exchange. If a consular invoice were required the cost would certainly be added to the exporter's invoice. So far from absorbing any of the duty or taxes that fall upon the Canadian importer the United States sellers can hardly be got to make out the Customs invoices required, and sometimes it is necessary to make them out here, and send them over there to be signed

There are a lot of people, not only officials, who seem to think that the foreign exporter is a fat German trying to sell us a shipload of junk, and that he will pay anything that may be imposed for the privilege. In reality Canadian buyers have to go into foreign markets and do the best they can. The theory of the foreigner paying the duty is all twaddle.

The consular invoice might be justified if there was any pretence of giving some service to the importer Possibly at one time it was assumed by the United States Government, that a consul in a foreign port would take the trouble to inspect shipments going to the United States, and perhaps see that the importer was getting all he paid for. In practice nothing of the sort is done. A Canadian exporter to the United States pays the fee and gets the consular invoice on his representations. It is red tape and nothing more.

There are too many government departments imposing direct taxation on business as it is. Mr. Fielding showed his common sense by shutting off a scheme that would lead to endless trouble and irritation, and was never intended to produce anything but fees.

W. Q. PHILLIPS
Sec.-Treas., The Doherty Mfg. Co.

February Trade Summary

IMPORTS AND EXPORTS OF CANADA BY MAIN GROUPS

	Twelve Months Ended February		
	1922 $	1923 $	1924 $
Imports for Consumption—			
Agricultural and Vegetable Products	185,127,042	159,615,023	185,811,688
Animal Products	45,823,491	46,427,306	46,227,013
Fibres and Textiles	133,933,909	168,389,776	177,073,035
Wood and Paper	36,088,062	35,671,924	40,529,072
Iron and Its Products	113,451,307	134,162,442	173,288,950
Non-Ferrous Metals	30,394,156	36,684,486	42,796,289
Non-Metallic Minerals	140,650,915	137,024,530	157,824,394
Chemical Products	24,387,172	25,691,044	26,366,751
Miscellaneous	51,170,207	46,365,811	48,421,724
Total Imports	761,026,261	790,032,342	898,338,916
Dutiable Goods	512,533,433	528,894,841	592,962,955
Free Goods	248,492,828	261,137,501	305,375,961
Duty Collected	121,053,427	133,163,610	135,980,270
Exports (Canadian)—			
Agricultural and Vegetable Products	323,477,043	406,306,105	423,731,807
Animal Products	134,387,611	136,255,761	137,917,417
Fibres and Textiles	4,834,761	7,393,333	8,393,060
Wood and Paper	182,207,541	221,592,194	270,346,506
Iron and Its Products	28,767,928	47,598,059	66,072,528
Non-Ferrous Metals	27,635,669	41,853,514	62,095,227
Non-Metallic Minerals	23,153,176	26,017,021	28,210,244
Chemical Products	10,037,831	13,408,414	15,627,776
Miscellaneous	14,292,235	14,008,756	16,874,316
Total Exports (Canadian)	748,793,795	914,433,157	1,029,268,881
Foreign Exports	13,753,595	13,923,499	13,455,789
Total Exports	762,547,390	928,356,656	1,042,724,670

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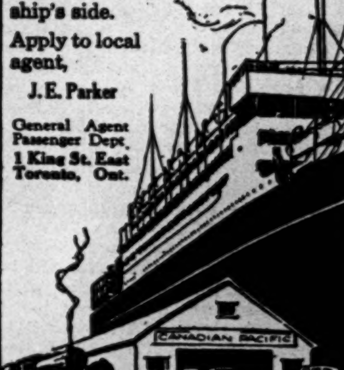

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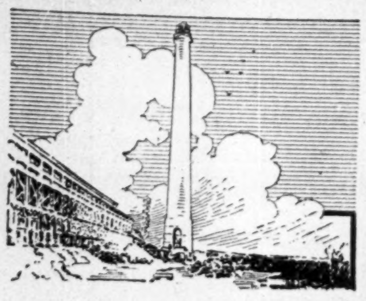

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ECONOMY URGED ON GOVERNMENT TO CUT TAXES

Practical Suggestions From the National Conference

BUSINESS HOBBLED

Travers Sweatman Argues that Soaking Rich Really Means Sweating Poor—Over-lapping is Expensive

From Our Own Correspondent.

OTTAWA.—The national economy conference here last week hardly attracted the attention that was expected, but the delegates made several suggestions to the Government which the Prime Minister very heartily approved.

One of the most important of these related to the overlapping of work in government departments and suggested that certain departments might well be merged. In this the conference hit on one of the most prolific causes of extravagance. Any one at all acquainted with the governmental machine knows that instead of there being between departments a strong spirit of co-operation, there is too often a spirit of rivalry which results in costly duplication. This to some extent explains the increase in the cost of the public service during recent years.

Another suggestion was that useless reports should be cut out. This is being done to some extent, and the public will get fewer bulletins than it has during the last few years. Much cutting of this nature is being done in the Bureau of Statistics and in the Department of Agriculture. The explanation for so many of these reports and statements in the past has been that the United States government did it. In this connection it may be pointed out that the United States, through a tax on invoices of goods shipped from this country to the Republic, provides itself with a nice revenue to cover just such expense as has been referred to.

Make Reports Readable

The simplification of government financial statements was also suggested so that he who runs may read. The trouble with many of these is that, while they are intelligible to accountants, they are not to the average reader. This means that several conclusions are drawn from them. The simplification of financial statements generally has been carried to a far greater extent in the United States than it has been in Canada. In certain departments of the government there is too much of an inclination to regard the preparation of a statement more from the standpoint of a painful compliance with duty, rather than from a readiness to give the public the fullest information.

One of the best addresses delivered by the delegates was that by Travers Sweatman, president of the Winnipeg Board of Trade, speaking before the local Kiwanis Club. He came out boldly for tax reduction, maintaining that in proportion as this was done would business recover. The chief trouble with business was that it had too many hobbles. "Soaking the rich," in his opinion, meant the sweating of the poor. He also made a strong plea for a display of old-time initiative that has done so much to put the Anglo-Saxon race where it is. "Paternalism," he said, "will do more to destroy those qualities which have established the Anglo-Saxon race than any other doctrine."

ACTIVITY IN WOODS OF NEW BRUNSWICK

Cut of Half a Billion Feet is Expected as Result of Season's Operations

ST. JOHN.—The lumbermen of New Brunswick have seldom had such a remarkably favorable winter for getting logs. Conditions have continued favorable into the present month, and the cut will be much larger than was anticipated in the early winter. Great numbers of small operators, down to the farmer who got out a few thousand feet,, have added to the total a large aggregate quantity. The market conditions are at present favorable according to the Maritime Merchant, and if they continue so the marketing of a cut of 500,000,000 feet or more will mean the distribution of a great deal of money throughout the province generally. All depends upon the markets. Of course, the pulp mills will consume a considerable quantity.

The development of the hardwood trade has been very rapid in the last two years, in Victoria, Madawaska and Restigouche counties. The American supply of hardwood ties is running low, and the railways are looking to New Brunswick and Quebec. The present demand exceeds the supply. A carload a day is being shipped over the railway that extends from Campbellton to St. Leonard's. There is a demand from France for veneer lumber. It is said the cut of hardwood in New Brunswick and the lower part of Quebec this winter will be at least 40,000,000 feet.

DETROIT SLOWING DOWN OUTPUT

The slowing down of automobile output at Detroit is confirmed by The Iron Age as at about 15 per cent. The volume of spring business will decide whether or not the February rate of operations can be resumed. Last year the automobile makers did not stock up sufficiently for the spring trade, and deliveries dragged through the summer season. This year they are trying the other plan which has caused large February production.

Would Apply "Blue Sky" to Federal Companies

From Our Own Correspondent.

ST. JOHN.—The attorney-general for New Brunswick will, either individually or in conjunction with the attorney-general of Saskatchewan, take up with the federal government the question of so amending the Dominion Companies' Act as to include concerns holding federal charters within the scope of provincial blue sky laws. The New Brunswick law was declared ultra vires on appeal by J. M. Queen, of St. John and Vancouver, to the appeal court of New Brunswick. As the Saskatchewan blue sky law was also declared ultra vires recently, on appeal by a company that held a federal charter, it is possible that the attorneys-general of both provinces will unite in the efforts to secure the needed amendments to the federal law. The New Brunswick Public Utilities Board has requested the New Brunswick attorney-general to begin negotiations at once.

AMERICAN FUNDS INTERESTED IN MANITOBA PULP

A Number of Mills in the Lake Winnipeg District

From Our Own Correspondent.

WINNIPEG. — Manitoba's pulpwood resources are now said to be attracting the attention of a number of large American interests. With J. D. McArthur's Fort Alexander scheme still in the balance there is talk of a number of mills being established in the Lake Winnipeg district as a means of coping with the prospective shortage of pulp products on the American market.

The Seaman paper interests of Chicago are known to have under consideration the establishment of a paper mill in the area between Lake Manitoba and Lake Winnipeg. There has also been some talk of their combining with the McArthur interests in connection with the Lake Winnipeg project, but the latest developments indicate that Mr. McArthur will proceed with his own scheme. It is understood that the latter is now seeking limits on the west side of Lake Winnipeg.

The big Bachus-Brooks plant at Kenora is about ready to commence operations on a fairly large scale. In fact the company is now operating the first unit groundwood mill with a capacity of 80 tons. The company's newsprint mill of 125 tons capacity will be built this season. At first it will be necessary to obtain sulphite pulp for their requirements from other sources, but a wood supply is now being cut from the company's limits on the Lake of the Woods. When the plant requires it additional wood supplies will be available from the company's limits on the English river which can be linked up by the building of 30 or 40 miles of railway.

HIGHER WAGE COST IN TRANSPORTATION

Employees Received About $17,000,000 More in 1923 Than in Previous Year

From Our Own Correspondent.

OTTAWA.—During the 11 months from January to November 30, last year, the total freight originating on Canadian railways was 95,035,000 tons and of this 32,132,000 tons were received from foreign connections, which means American roads. This was nearly 34 per cent. of the total.

In 1920 out of 80,966,000 tons of freight, 32,132,000 were from American roads. That is, of an increase of nearly 15,000,000 tons of freight handled, about 8,500,000 tons were from the other side. There was a 50 per cent. increase in freight destined from the United States to points in Canada, and an increase of 18 per cent. in freight routed through this country.

Canadian railways last year employed on the average 177,397 employees, or about 10,500 more than in 1922. The payroll was $245,117,000, or $17,000,000 more than in 1922. The ratio of the payroll to the operating expenses was slightly higher than in 1922, being 60.1 as compared with 57.5 in 1922. The number of tons of revenue freight carried was a little over 16,000,000 in excess of that in 1922, but the average freight receipts per revenue ton mile were only .980c. as compared with 1.036c. in 1922.

The average wage paid to Canadian railway employees last year was $1,382, as compared with $1,366 in 1922. The railways of Canada paid in taxes last year $7,739,425, of which the Canadian Pacific is credited with $5,717,283.

Gas Company Not Fearing Competition of Electricity

From Our Own Correspondent.

WINNIPEG.—At a cost of $300,000 the Canada Gas and Electric Corporation of Brandon will proceed at once with the erection of a new power plant, according to the announcement made by George W. Patterson, the local manager. The new plant will be equipped for the use of powdered Souris coal which, owing to its short haul, constitutes an extremely economical fuel. It is stated also that the company has no intention of dismantling its present plant. Instead this will be overhauled and brought up to date. The announced plans of the company are taken here to indicate that it does not fear any prospective competition from the provincial hydro electric system.

U.S. ACTION MAY BRING TRADE TO CANADIAN PORTS

Speculation as to the Effect of the Jones Act

WHEAT NOT AFFECTED

But Shipments of Flour Are—Movement Through American Ports Discouraged if Foreign Vessels Used

From Our Own Correspondent.

OTTAWA. — Much curiosity is evinced as to how Canada will be affected by the efforts of the United States to find business for its mercantile marine through the preferential features of the Jones Act. As is well known, in the United States there are two scales of freight rates, local and export, the latter being much lower than the former. Section 28 of the Jones Act provides that the export rates shall not apply to commodities that are to be exported from a United States port on other than an American vessel. This is to come into effect on May 20.

As an exception is made in the case of grain exported, the coming into effect of this section will not deflect the movement of grain from American to Canadian ports. But it probably will affect the movement of flour. Probably about 50 per cent. of Canadian flour exported has been going out through American ports, and unless this should go by American vessels, the shippers could not afford to pay the local rates, which should mean the routing of it via our own ports. As American millers could not afford to pay these rates either they would be forced to do their export business through Canadian ports, or largely forego their export business, that is in competitive lines.

But the question naturally arises, what control has the Inter-State Commerce Commission over imports moving from Portland or Boston to Canada and over exports moving to a United States port from a point in Canada. If it has a very wide measure of control it may seriously affect Canadian railways that carry a considerable volume of American traffic through this country.

To Help Our Ports

The feeling seems to be among United States shipping officials that through means of this preferential rate method much business may be secured for the American merchant marine. The opinion here is that the attempt will be successful in proportion as the Americans can provide sufficient satisfactory tonnage. On the other hand it is reasonable to think that foreign-owned vessels will throw what business they can to Canadian ports.

Every country is apparently taking strong measures to build up a merchant marine, or at least to ensure employment for the tonnage it added during the war. That our own government is not indifferent to this matter is evident from the fact that the recent order permitting the breaking at New York of bulk shipments from a Canadian port on the Atlantic to another on the Pacific via the Panama Canal, provided that the goods should be shipped on vessels of British register.

The ruling of Attorney-General Daugherty that foreign steamship companies must pay a portion of the taxes arising out of incomes derived from transportation of traffic originating in the United States, is another proof of the importance that the American government is paying to its merchant marine.

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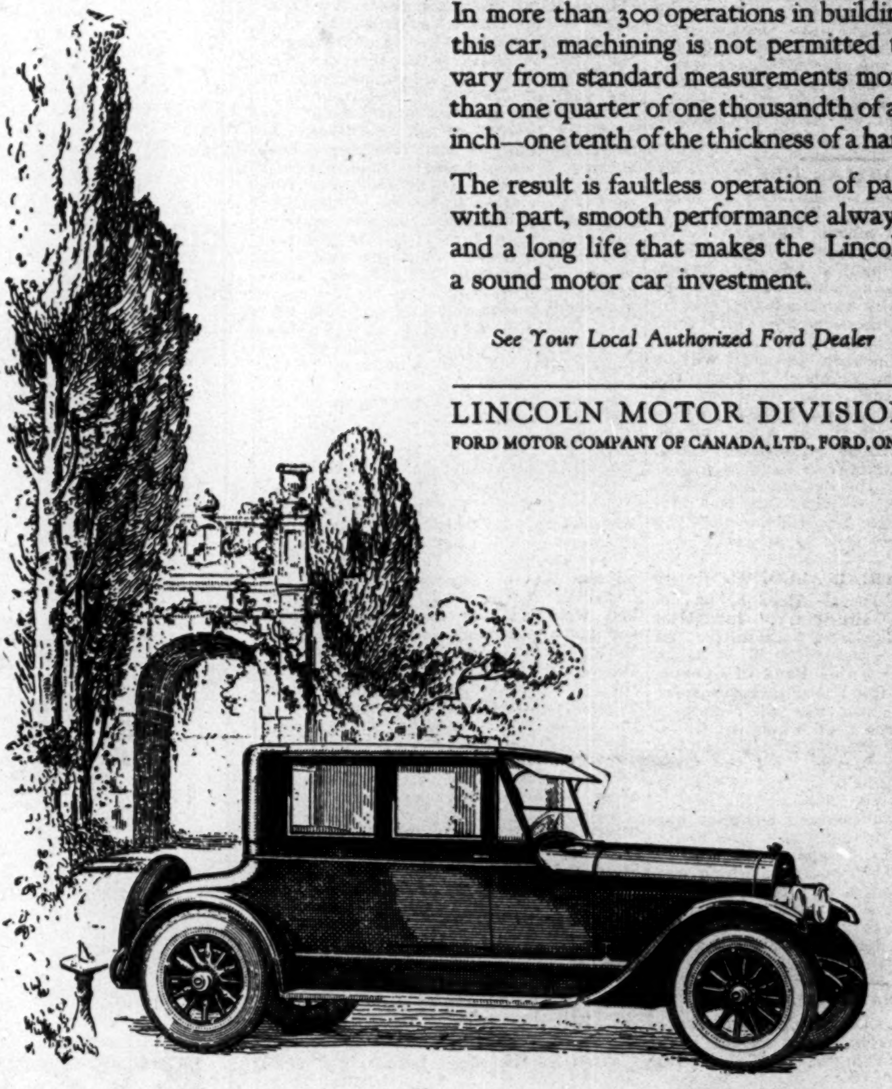

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Trading Opportunities

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News and Views for Investors

BELL RIGHTS

Bell Telephone Rights are off the market. Trading in them opened Jan. 16 and concluded Apr. 1, the opening and final bid being the same with a high of 5⅜ having been achieved. The rights entitled a holder to subscribe for stock at par on a basis of one share for every five rights.

SHREDDED WHEAT EXPANSION

It is possible that the Shredded Wheat company may expand operations and erect a plant in England. Proposals to that end are reported under consideration and an engineer of the company is now in England studying the situation and will make a report on a possible location.

TORONTO RAILS

Strength in Toronto Rails, which advanced to 85½ is based on the old rumor that the city and company have got together on an agreement to put their case to the Privy Council in June. Some say this would mean a settlement in early summer, but they seem to forget that the interest dispute would still remain to be disposed of.

DOMINION COMBING MILLS

Dominion Combing Mills are reported now to be working full time. The company is said to have had orders from all the big users of wool tops in the Dominion, and to have received repeat orders from most of them. Profits are said to be fair. The company is buying its wool in London, Boston and Australia, but expects the Canadian clip along shortly.

AMES-HOLDEN McCREADY

The first annual report of the reorganized Ames-Holden McCready Co. is expected to make its appearance shortly and will reflect the trying conditions under which the boot and shoe industry has operated during the past year or so, and the vital necessity of better tariff protection if the factories in this line of business are to continue in successful operation. Whilst no definite figures are as yet available, it is understood that the report, which covers 16 months, September 1, 1922, to December 31, 1923, will show a loss of between $650,000 to $700,000 for the period.

CANADA COTTONS

Canada and Dundas Mills, two of the three branches of the Canadian Cottons, Limited, located in Cornwall, have shut down for two weeks. The Stormont mill, the third local branch, will continue to operate four days a week, as has been done for some time back in all three mills. The cause of the shut down is attributed to the fact that some 22,000,000 yards of colored cotton goods were brought into Canada from England and the United States during 1923, and that quantity of goods would be sufficient to keep the Cornwall mills in operation for a period of two years. Between 500 and 600 hands are affected by the shut down.

GOODYEAR TIRE

A good volume of business is being enjoyed by Goodyear Tire, according to a report of General Manager C. H. Carlisle to shareholders. The company is in strong financial position, having no fixed or bank debts, with earnings looming up quite satisfactorily. As is to be expected the company finds competition keen and profits correspondingly small. The ratio of profit will be governed by the number of times the company can turn over its stock. A complete line of balloon tires for either small wheels or to fit the wheels of the present cars will be offered very soon. U. S. tire manufacturers have been paying attention to the demand for balloon tires and it appears that Canadian motorists are seriously considering the merit of the new type of product.

INDUSTRIAL ALCOHOL

Canadian Industrial Alcohol has organized a new subsidiary, Industrial Alcohol of Manitoba, capitalized at $2,000,000. The president is W. R. Allan, president of the Union Bank of Canada, Winnipeg, and the board includes some well known business men of Winnipeg, one of the former of whom is G. H. Balfour, former general manager of the Union Bank of Canada. All the stock of this new subsidiary is owned by Canadian Industrial Alcohol, the parent organization, and the new company has been organized without any new financing on its part. Company was able to purchase a $400,000 building, which was on the market at a very low price.

It is understood that the parent company will also organize a subsidiary company for British Columbia along the same lines.

INTERNATIONAL PETE

International Petroleum will take over 25,000 barrels a day out of Peru from now on, having made a deal with Standard Oil of New Jersey to take over its Peruvian output of 10,000 barrels The price will be $3.50 a barrel at Bayonne. International Pete. is by far the largest oil company in South America; being virtually the only one to develop a substantial production. In this respect it is years ahead of any other company. Its developed production is mainly in Peru. In addition it is taking about 5,000 barrels a day out of wells in Columbia, where it owns the de Mares concession, covering 2,000,000 acres, which is regarded as one of the great oil reserves. It is also a refining and marketing company, and is an Imperial Oil subsidiary, which in turn is controlled by Standard Oil of New Jersey.

BESCO ISSUES

British Empire Steel issues broke heavily when it was announced that dividends were to be suspended. Common, which for the past week or so has been selling at 4, a decline of a point, sold off another point and stands at 3 bid, 4 asked. First preferred which sold 53 to 55 for the past two weeks has broke to 40¼ while the second preferred selling at 13 and 14 broke down to 8¼, but has since firmed to 10. The latter issue is more favored as market trading indicates. Some feel that it will prove a valuable holding. A number of holders of Dominion coal preferred who for up to 25 years have been deriving incomes therefrom, are discussing the situation with a view to having their equity more clearly defined. They maintain the the record of their company shows it to have been a money earner, that it is probably fully earning its dividend now, and that they should be entitled to their dividends on this basis.

CANADA STEAMSHIPS

As the opening of navigation draws near, shares of Canada Steamships will perhaps come in for some attention. It is an established precedent since the old Richelieu days that similar stocks should move about this season of the year. Preferred shares are perhaps attracting the attention of the investor who sees brighter days ahead and has the patience to sit on his commitment until that opportune moment arrives. The company now owes 15¾ per cent. in arrears, and the recent annual report reveals important progress towards rehabilitation both as regards fixed assets and earnings. The policy of the company during the past two years, however, has been to write off the value of steamships on a liberal basis. In 1903, $804,000 was written off for depreciation, and after allowing $88,000 for bad debts and $64,000 for bond discount account, net earnings amounted to $477,000, or slightly better than 4 per cent. on the preferred stock.

SAWYER-MASSEY

In view of the political agitation for a further reduction of the tariff on agricultural implements the annual statement of the Sawyer-Massey Company is significant as indicating what these companies are now experiencing in the way of business depression. The statement shows an operating loss for the year of $70,983. In addition bond interest took $125,584 and $46,460 was provided against collection losses. At the beginning of the year there was already a debit balance in the profit and loss account of $480,119. The further depreciation of prices of finished products is indicated by the smaller value at which current assets are carried on the books. Working capital is given a valuation of $202,960, comparing with $372,136 in the previous year. Bank advances and accounts payable are still in excess of $2,000,000. Notes and accounts receivable amount to $1,854,161. Unsold debentures to the amount of $2,000,000 are held by the Canadian Bank of Commerce as collateral for advances.

CANADIAN GENERAL ELECTRIC

Canadian General Electric new common is scarce. The price is now up from 50 to 56. Only about $800,000 of the new common shares of a total issue of $12,800,000 are in the hands of the public. At the annual meeting of the Canadian General Electric Company last week, it was announced that a further opportunity would be given shareholders to exchange the common shares for preferred stock and cash on the same basis as was offered last autumn, when a very large majority of the stock was turned in at the time of the ratification of the agreement with General Electric Company of Schenectady. The American company holds the great majority of these shares in its treasury, and the public was given the information that no dividends would be paid on the common stock for an indefinite period while the liquid position of the company is being improved. It is considered in the Street that the common stock will be quite valuable eventually, but that holders would have a long wait before receiving any dividend disbursements.

BIG SHIPMENTS OF GRAIN

EDMONTON.—The Lethbridge division of the C.P.R. reports total shipments of grain to date of 35,000,000 bushels, of which 33,000,000 bushels were wheat. One point in the division has shipped two million bushels, and five other points have shipped over one million bushels.

GOOD INVESTMENT STOCKS STAND WELL IN PRESENT MARKET

Tendency of Market is Sell Off But Some Brokers See Rally Coming

There have been many weak spots and a few strong ones to the market during the past week. Trading has been slightly more active and some brokers see indications of a rally in the offing. The list on the week's showing is off, materially so in some cases, such as Detroit United and British Empire Steel issues.

While the downward movement has been fairly general, it is to be recalled that when the movement started THE FINANCIAL POST called attention to the fact that the good preferreds and investment stocks were the most favored, as a a hold in view of the fact that the commons generally fell 10 points to every one the preferreds sank. After about a month's reaction, it is interesting to check over the list of these good issues, comparing their position now with that of March 1, and the first of the year. This gives evidence of the decline, but the declines recorded are small while many of these issues show a fairly substantial advance. The list follows:

	This week	Mar. 1	Jan. 1
Commerce	184½	184	184
Dominion	183	186¾	182
Hochelaga	148	149	144
Imperial	173	173	175
Molsons	155	155	155
Montreal	234	240	242
Nova Scotia	255	255	250
Royal	214½	213½	212
Standard	165⅝	166	167
Toronto	176	177	176½
Union	104	107¼	105½
Dom. Textile (P)	104¼	107	106¼
Laurentide	88½	92	91
Shawinigan	128¼	127	118½
Montreal (P) ...	154	156	142¼
Consumers Gas ..	160	164	159½
Can. Gen. Elec...	53½	53⅝	—
Bell Phone	129¼	130¾	126½
C. P. R.	148½	150¼	150
F. N. Burt (P) ..	131	130	134
Can. Cement (P)	108	106½	105
City Dairy (P)	105½	105	104

The investing public is concerned at the present time with two things. How long will the business adjustment period last and what issues are likely to be the least affected? Oil and mining shares stand out. The former are just through a severe period of depression and over-production. From now on the outlook is that consumption will keep pace with production. The mines position is well known. The golds need never trouble about a market while silver prices seem fairly stable for some time at least. Sugar producers and public utilities should also hold up fairly well. The pulp and paper group has no reason to sell off. The companies are assured of a ready market and no change in price. Costs, if anything, should come down.

Hayden and Stone, Boston, see two strong factors which they believe indicate that the period of adjustment will be short. They state:

First, there have been no previous excesses to correct and secondly,—the bank and credit position of the country is eminently sound. There is nothing that calls for drastic remedy. Simply until we have reached an equilibrium between production and consumption we must be prepared for smaller earnings and this probably will be reflected in stock equities. Such a process will later on provide good buying opportunities.

LOEWS, OTTAWA

Most of the Loews theatres have shown an improvement in earnings for 1923, and the Ottawa house is no exception. The year ending January 31 last, shows a net profit of $40,309 as compared with $28,448 the previous year. Total revenue was $357,980 of which $343,601 was operating income. Operation, administration and interest costs amounted to $317,671. The surplus now stands at $53,652.

Goodwins Appears At Much Higher Price

From Our Own Correspondent.

MONTREAL.—It is not very often that Goodwins, Limited, stock comes on the market, and when a few shares of common appeared this week they sold at 48½, which was a rise of 28½ points from the previous sale. This week, 89 was bid for the preferred, a rise of 20 points from the low of the year. The rise in Goodwins' stock is a direct reflection of the excellent report of the company, which came out a couple of weeks ago.

Goodwins has had a hard job getting established on a good earning basis. Its department store in Montreal has grown in popular favor, and the annual turnover is stated unofficially to be in the neighborhood of five millions. Nevertheless, earnings have been erratic from the start. In 1917 the corporation earned only a quarter of one per cent. on the common shares, and there was a gradual increase until 1921, when about 8 per cent. was earned on the common. In 1922 and 1923 the preferred dividends were not earned, but for the year ended January 31, 1924, earnings were at the rate of about 7 per cent on common. However, the possibility of common dividends is remote just now, for preferred dividends are 40¼ per cent. in arrears, the payments since 1920 only being sufficient to maintain the current rate without paying off over-due dividends.

It is a remarkable feature of Goodwins' stocks that the common shares show a full value of about $120 apiece after deduction of past due preferred dividends.

DETROIT UNITED

Detroit United which recently broke down to 50 as compared with a years high of 72½ in January has recoverd to 57. Selling resulted when the recent meeting failed to declare a dividend. A meeting is scheduled for Apr. 15 and in some sections there is a feeling that the dividend declaration will come on that date. There is said to be a heavy short interest in the issue.

NEWSPRINT
—the Giant that grew out of our Forests and Rivers

The growth of our Newsprint Industry has been astounding. From 1913 to 1917 it almost doubled, and at the end of 1923 it had practically doubled again, reaching the estimated total of 1,250,000 tons! Imagine the wealth this brings to Canada, and the vast field for employment it provides.

This Giant Industry has grown logically to meet an ever-increasing world demand for Newsprint. There are sound reasons why it must continue to grow.

We have prepared an interesting analysis of the Newsprint Industry. A copy will be sent upon request.

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McLAUGHLIN-BUICK

COAL OPERATION WILL BE LAUNCHED AT INVERNESS, N.S.

Sir Henry Drayton Reported as Head of Concern Just Been Organized

TAKE FROM RECEIVER

Properties Have Been in Hands of Eastern Trust Since Early in July

From Our Own Correspondent

SYDNEY.—Reports from Inverness indicate that the extensive and valuable submarine coal areas there are about to be sold to a new company, which will commence development work immediately under the active direction of A. J. Tonge, former general superintendent of the Dominion Coal Company. Murray O'Neill, a McGill geologist, who surveyed the property last summer, Mr. Tonge, and two other representatives of the new company, are at present in Inverness making the initial arrangements.

There is considerable mystery as to the make-up of the new concern, but it is reported to be backed by English and Upper Canadian capital, and Sir Henry Drayton is supposed to be its president and one of its principal promoters.

Since 1921 the Inverness mines have been operated by the Eastern Trust, acting as receiver for the bondholders, but owing to the lack of money for development work the winning of coal has been a difficult and costly process. The Inverness mines are the "wettest" in Cape Breton, but it is believed the installation of an electric pumping system will reduce the cost of keeping them dry by 60 per cent.

Coal Excellent

The coal in Inverness No. 1 is the finest bituminous in Cape Breton, especially suitable for domestic purposes, and commands a price at Halifax from $1 to $1.50 higher than any other domestic coal mined in Nova Scotia.

No. 1 will require considerable expenditure to put it in first-class shape, but there is available an output of 1,000 tons a day for 40 years.

The taking over of the Inverness Railway by the C. N. R. is expected to help the new project, inasmuch as the present freight rate of $2.60 per ton to Halifax can be reduced to about $1.90 by using the C. N. R. all the way.

The new company proposes to begin operations also at Mabou, some distance from Inverness. The coal obtainable at Mabou is an excellent steam and coking coal, the percentage of fixed carbon being almost equal to the poorer grades of anthracite. The old working have not been pumped out since they were flooded by the sea in 1909, but it will be easy to tap the areas with a new shaft. There are several Mabou seams, the largest being 15 feet thick, and the others 5, 7, and 8 feet, respectively. The property has never been worked except in a desultory manner, the largest output being 7,000 tons in 1903. Mabou harbor provides an excellent summer port for shipping by sea, and Inverness county is confidently anticipating an early resumption of its old industrial activity.

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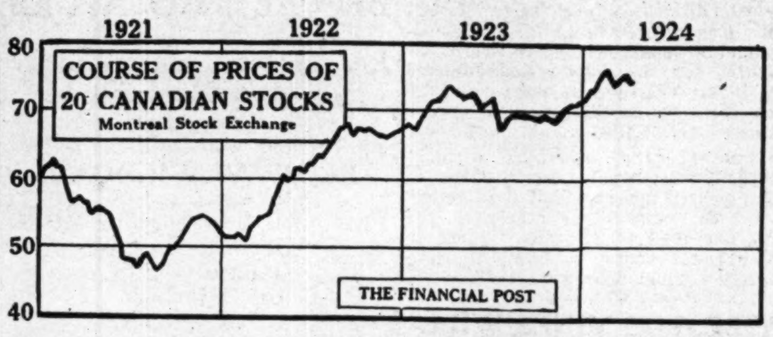
Stocks Moved Down in March



Canadian stocks have recently shown some reaction from their almost steady climb upwards since last summer. Gains in March were confined to a few stocks with individual characteristics while losses were observed in most of the stocks on the Canadian exchanges. The pulp and paper group and most industrial registered declines. The average of a group of representative stocks showed a net decline.

To some extent the downward movement is in the nature of a readjustment following a steady upward movement that brought some stocks to levels that were hardly justified by the small degree of improvement in the business of these companies. A certain degree of liquidation in New York and some very adverse factors in the Canadian market situation contributed to the pressure on stocks.

On the whole the outlook is not for substantial improvement at the present time in the average security.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING APRIL 1

	Div. Rate	Field Mar. 31	High For week	Low For week	Close Apr. 1	Close Mar. 25	Sales For week	Range 1924 High	Range 1924 Low
Banks—									
Commerce	12	6.50	185	183	184½	184	295	188	182
Dominion	12	6.55	183	183	183	183	59	187	181
Hochelaga	10	6.75	148	148	148	148	28	150½	143½
Imperial	12	6.93	174	172	173	172½	104	177½	173
Molsons	12	7.79	155	154	155	152	46	159½	151
Montreal	12	5.12	236	234	234	236	133	248	234
Nova Scotia	16	6.25	256	253½	255	256	21	260	248
Royal	12	5.60	215	214	214½	214	20	217	211
Standard	12	7.22	166	165½	165½	165½	44	168	165
Toronto	12	6.81	176	175	176	176	32	179	175
Union	8	7.69	105½	104	104	106	71	109½	104
Paper—									
Abitibi, com.	4	6.55	62¾	59¾	59¾	62	3212	69	59¾
Brompton Pulp	....	....	39¾	38¾	38½	39	1312	43	38¾
Laurentide	6	6.74	89	88½	88½	88½	548	98½	88½
Price Bros.	2	4.93	40½	40½	40½	41	10	45	40½
Prov. Paper, pref.	7	7.52	93	93	93	95	7	97½	93
Smith, Howard, com.	6	9.60	64	61½	62	62	195	75	61½
Spanish River, com.	7	6.61	108½	103½	104	107¾	4460	114	99¾
Spanish River, pref.	7	6.18	115¾	111¾	112	115	1757	119½	105½
St. Maurice Paper	6	6.31	95½	94½	95	94	281	113½	94
Wayagamack	....	....	40	39½	39½	40	25	46	39½
Steel and Steel Industries—									
B. E. Steel, com.	....	....	4	3	3	4	360	6	3
B. E. Steel, 1st, pref.	7	13.65	53	51	51	53	485	57½	51
B. E. Steel, 2nd, pref.	....	....	13	8½	9¾	11½	2364	17	8½
Can. Car & Fdry, com.	....	....	47	46	46	47	323	50	36½
Can. Car & Fdry. pref.	7	7.62	95½	91½	91¾	95½	305	97	84½
Can. Locomotive, com.	4	6.06	66	65½	65½	66	10	67	66
Can. Locomotive, pref.	7	7.77	90	90	90	90	10	90	85
Dominion Iron, pref.	7	13.14	53½	53½	53½	54	15	57	52
Dominion Bridge	4	5.33	75	74½	75	74½	370	80	55
Ontario Steel, com.	4	9.30	43	43	43	43	25	45½	43
Steel of Canada, com.	7	8.86	81	78½	79½	80	1161	83	74½
Steel of Canada, pref.	7	6.66	105	104	105	105	71	105½	100
Milling—									
Canada Bread, com.	4	6.34	63	63	63	66	12	74½	63
Canada Bread, pref.	7	7.25	97	96½	96½	98½	34	98½	95
Lake of Woods, com.	12	6.85	176	174	175	173½	34	177	167
Maple Leaf, com.	....	....	62	62	62	62	12	69	60
Maple Leaf, pref.	7	7.60	94½	92	94½	91½	31	95¾	87
Ogilvie Flour, com.	12	3.87	310	310	310	310	5	320	307
St. Law. Flour, com.	6	8.82	68	68	68	68	10	73	68
Inter. Milling, pref.	7	7.33	95½	95½	95½	95½	29	96½	94
Utilities—									
Bell Telephone Rights	....	....	5½	4½	4½	5¾	828	5½	3¾
Bell Telephone	8	6.19	129½	127½	129½	129½	556	132¾	125
Consumers Gas	10	6.25	160	159	160	160½	73	166½	159
Dom. Telegraph	....	....	43½	43½	43½	44	7	44½	43
Kaministiquia	8	7.44	107½	107½	107½	107½	10	113½	107
Mackay, com.	7	6.11	116	114	114	115	559	120½	110½
Mackay, pref.	4	5.97	67¾	66½	67	67½	218	71½	66
Montreal L.H. & Pr. Cons.	7	4.55	154	153¾	154	154¾	829	161½	140¾
Montreal Telegraph	8	6.40	50	48	48	49	37	52½	48
Ottawa L.H. & Pr.	6	7.27	83½	82½	82½	83¾	17	86	81
Quebec Power, com.	....	....	66	65	66	65	22	72½	64
Shawinigan	7	5.42	129	127½	127¾	131	333	135½	118½
Transportation—									
Canadian Pacific Rly	10	6.78	148½	147½	148¾	148	247	154	147½
Canada Steamships, com	....	....	13	11½	11½	11½	152	14½	11
Canada Steamships, pref.	....	....	51½	46½	49	46	4426	51½	41½
Tractions—									
Barcelona	....	....	13½	13	13	14½	80	16	13
Brazilian	4	7.92	50¾	50	50½	50½	1856	53¾	41¾
Detroit Un. Rly.	6	10.34	58½	53	54½	57½	1499	72½	50
Duluth-Superior	....	....	30	28½	28½	31½	30	35	28½
Illinois Traction, com.	$2.00	2.50	80	80	80	78	15	80	60
Montreal Trams.	10	6.66	150	150	150	152	25	159	150
Porto Rico Rlys. pref.	7	10.07	69¾	69¾	69¾	70	50	75	66
Toronto Railway	....	....	84½	83½	84½	83½	959	86½	80
Twin City, com.	6	9.71	62¾	60	61	62½	773	69	60
Winnipeg Elec. com.	....	....	26	25½	25¾	26½	135	30	25½
Winnipeg Elec. pref.	7	8.91	78½	77½	78½	79	65	85	76½
Textiles—									
Can. Converters	7	8.75	80	80	80	80	55	90	79¾
Can. Cottons, com.	8	8.16	98½	98¾	98¾	99	105	111	98¾
Can. Cottons, pref.	6	6.70	89½	89½	89½	90½	140	91	89½
Dom. Textile, com.	$4.00	6.58	61	60½	60¾	61	242	66	60½
Dom. Textile, pref.	7	6.71	107	104½	104½	107	21	109½	104½
Penmans, com.	8	5.42	154	147	147½	159	310	165	147
Penmans, pref.	6	6.38	94	94	94	94	50	96	93
General Industrials—									
American Salesbook, com.	5	....	44	44	44	44½	40	47	44
American Salesbook, pref.	7	7.70	92	90	90¾	92	22	95	90
Asbestos, com.	....	....	30	30	30	30	155	35	25½
Asbestos, pref.	6	10.16	59	59	59	60	25	62	57
Atlantic Sugar, com.	....	....	16	16	16	16	55	21½	16
Atlantic Sugar, pref.	....	....	45	44	44	49	150	51	39
B. C. Fishing	....	....	14	12	14	13½	11	15½	12
Burt, F. N. com.	10	7.63	131	130	130	134	20	137¾	127½
Canada Cement, com.	6	6.63	92	90	90	92½	815	93	84½
Canada Cement, pref.	7	6.49	108	107½	108	107½	110	108	102½
Can. Gen. Electric, pref.	7	6.51	54	51¾	53½	53½	307	54	51¾
Canadian Salt	8	7.15	112	111¾	111½	114¾	30	115½	109
City Dairy, com.	10	5.43	185	182¾	185	181½	132	185	163
City Dairy, pref.	7	6.63	105½	105	105	105	12	105½	104
Dom. Canners, com.	....	....	30	29½	29¾	30½	195	35¾	20½
Dominion Glass, com.	7	6.48	108	106½	108	107	215	110	101½
Dom. Stores, com.	$1.00	3.84	26	26	26	26	3	30	26
Dom. Stores, pref. (a)	8	9.04	88½	88½	88½	88	5	89½	81
Eastern Theatres, com.	....	....	14¾	14¾	14¾	14	11	14¾	12
Eastern Theatres, pref.	7	10.29	68	68	68	69	1	70	67
Goodyear Tire, pref.	7	9.09	77	75	77	77½	36	81½	77
Lyall Construction	....	....	17	16	16	17	60	21	12
National Breweries, com.	$4.00	8.00	50½	50	50	50¾	1010	56¾	50
National Breweries, pref.	7	7.00	100	100	100	99	80	100	95
Pacific Burt, pref.	7	7.00	101	100	101	105	6	106	100
Rogers, Wm. A., com.	....	....	59¾	59	59	60	21	70	45
Rogers, Wm. A. pref.	7	7.36	95	95	95	95	5	100	86
Russell Motor, pref.	7	14.00	50	50	50	50	100	56	48
Sherwin Williams, com.	6	5.63	106½	105	105	106	6	110	105
Sherwin Williams, pref.	7	6.91	101½	100½	100½	100½	20	103	100½
Sterling Coal	4	9.30	43	42	43	43	133	43	40
Tuckett Tobacco, com.	4	6.69	59½	59¾	59¾	60	20	64½	57
Tuckett Tobacco, pref.	7	7.34	95½	95	95½	95½	120	97	92½
Trust and Loan—									
Canada Landed	10	6.06	82½	82	82½	80¾	10	86	80¾
Can. Permanent	12	6.55	184	183	184	183	14	186¾	182
National Trust	12	5.58	215	215	215	215	5	215	212
Real Estate Loan	7	7.86	89	89	89	89	4	89	89
Toronto General Trusts	12	5.79	207	207	207	207	11	207	202

Public Utility Earnings

PORTO RICO RAILWAYS

Earnings of the Porto Rico Railways Company for the month of February and for the two months of 1924 follow:

February—	1924	Inc.	P.C.
Gross	115,944	8,220	7.63
Net	38,640	x3,660	8.69
For two months—			
Gross	240,521	20,445	9.29
Net	97,006	7,810	8.76

x—Decrease.

BARCELONA TRACTION

February	1924 Pesetas	1923 Pesetas	Increase Pesetas
Gross earn.	4.937.626	4,495,111	442,515
Op. ex.	1,879,394	x2,496,455	x617,061
Net earn.	3,058,232	1,998,656	1,059,576
Aggr. Gross frm. Jan. 1,	9,936,722	9,350,575	586,147
Aggr. Net frm. Jan. 1,	6,347,537	4,267,965	2,079,572

x—Decrease.

WINNIPEG ELECTRIC

Gross and net earnings of Winnipeg Electric for the month of February, 1924, as compared with the same period last year were:—

February	1924	1923	Increase
Gross	$ 479,508	$ 464,866	$14,642
Op. Ex. & T.	357,996	349,292	8,704
	$ 121,512	$ 115,574	$ 5,938
Charges	61,601	55,965	5,636
Net	$ 59,911	$ 59,609	$ 301
Twelve months ending February 29.			
Gross	$5,438,983	$5,510,098	x$71,115
Op. Ex. & T.	4,019,731	4,090,749	x71,018
	1,419,251	1,419,349	x 97
Charges	749,395	705,220	44,175
Net	$ 669,856	$ 714,128	x$44,272

x—Decrease.

B. C. ELECTRIC RAILWAY

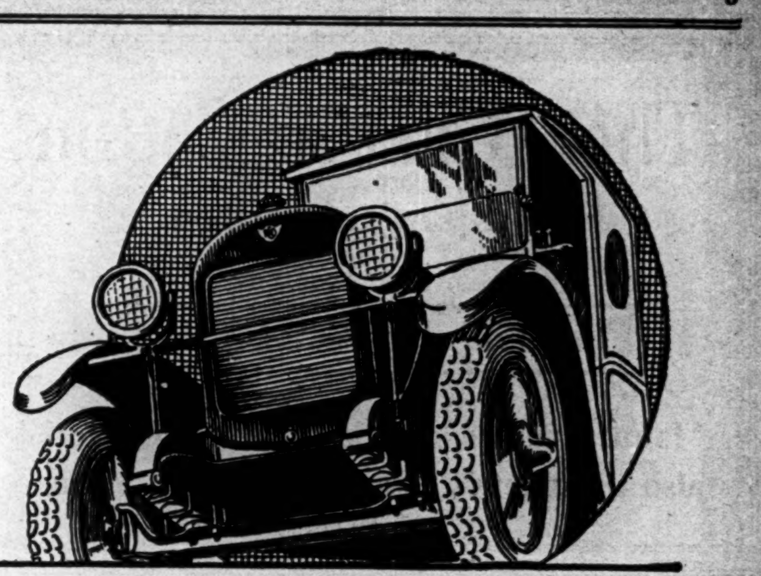
January	1923 $	1924 $	Incr. $
Tot. Gross	928,187	983,176	54,989
Exp.	620,856	666,386	45,530
Net Inc.	307,331	316,790	9,459
Agg. Gr. frm. Jul. 1-Jan. 31,	6,118,759	6,287,688	168,929
Aggr. Net frm. Jul. 1-Jan. 31,	1,839,906	1,895,479	55,573

CONTROLS SOAPSTONE DEPOSITS

Thermostone Co. and other interests in Wabigoon Soapstone have been purchased, it is reported by H. H. Sutherland, president of Wabigoon Co. The combined holdings of the two companies comprise the only known large deposit of soapstone in Canada which can be operated successfully. Practically all the soapstone now used in this country is imported from the United States and Sweden, but it is generally recognized that the United States deposits are nearing exhaustion.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Can. Assoc. Goldfields	.06	.08
Can. Westinghouse, pref.	135	—
Can. Marconi	.60	.85
Cockshutt Plow, pref.	—	38.00
Collingwood Shipbuilding, com	50	60
Cosgrave	5.25	6.00
Dom. Linens, com.	5	10
Dom. Linens, pref.	25	35
Dom. Power, pref.	96	98
Dom. Power, com.	42	45
Dunlop Tire 7% pref.	81	85
Durant Motors (A)	5½	6½
Durant Motors (B)	6½	7½
Durant Motors (C)	7½	9
Dom. Sewer Pipe, com.	26	29
English Elec., com	10½	13
English Elec., pref.	57½	59
Famous Players, com.	6	8
Famous Players, pref. 50% com.	68½	70
Gunns Ltd., pref.	37	38½
Hamilton Pantages, pref	48	51
Hamilton Pantages, com.	2½	3½
King Edward Cons., com.	33	36
King Edward Cons., pref	60	64
K. & S. Tire, com.	—	.75
K. & S. Tire, pref.	17	20
Loew's Buffalo, pref.	56	59
Loew's Hamilton, pref.	48	51
Loew's London, pref.	6	7
Loew's Montreal, pref.	—	26
Loew's Ottawa, pref.	—	19
Loew's Toronto, pref.	68	71
Loew's Toronto, com	37	40
Loblaw Groc. 2nd, pref.	120	150
Massey-Harris	32	34½
Mount Royal Hotel, com.	11	13
Mount Royal Hotel, pref.	47	51
North Mexico Power, com.	—	10
National Brick, pref.	53	56
National Brick, com.	12	15
Robt. Simpson, pref. 6%	89½	91½
Tiger Tire Unit	—	12
Western Grocers, pref.	33	35½
Loan and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	23	—
Can. Mortgage	66½	—
Can. Mortgage 50% pd.	16	—
Continental Life	25	29
Crown Life	98	—
Excelsior Life	33	—
Great West Life	225	—
London Loan	44	48
Manufacturers Life	56	58
Mercantile Trust	100	—
Monarch Life, 10% pd.	13½	—
National Life, $25 pd.	50	—
Ont. Equitable	—	19
Peoples Loan	63	—
Sovereign Life	17	25
Sun Life 50% pd	180	—
Sun Life 35% pd	140	—
Sterling Bank	87	90
Trusts & Guar.	68	71
Western Assurance	7	8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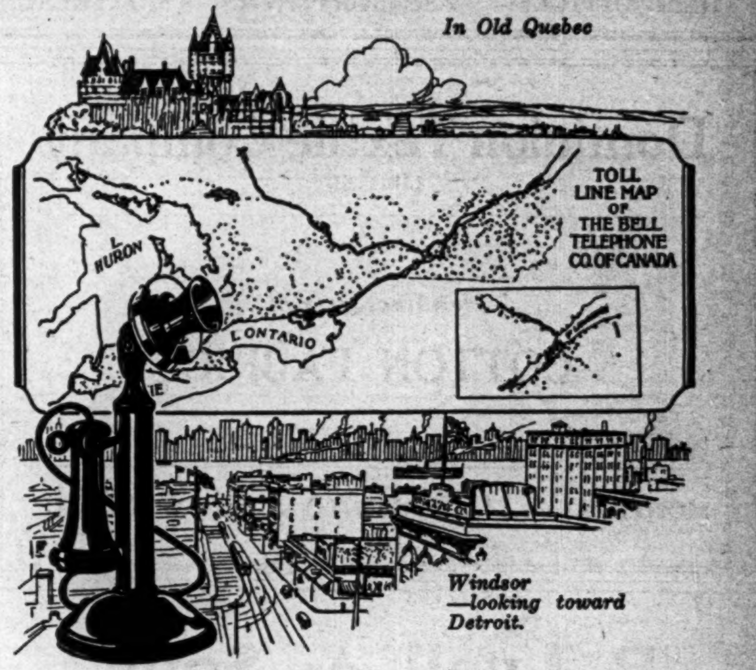
CONSOLIDATED SMELTERS

Ore receipts at the Trail Smelter of the Consolidated Mining and Smelting Company for the week ending March 21, totalled 7,174 tons, and for the year to date 103,577 tons.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L. ONTARIO
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Based on the census of 1911 and 1921 the population of Ontario and Quebec, it is estimated, increased from 4,533,068 in 1911 to 5,447,220 in 1923—or twenty per cent. In the same period Bell telephones in service increased from 153,959 to 486,241—or 214 per cent.

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FRANK KENNEDY,
Manager.

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RAILWAY REVENUES CLIMBING ON BOTH CAN. NAT. AND C.P.R.

Roads Start Well With Record First Quarter

CUTTING EXPENSES

Canadian National Handles Much Greater Business With Smaller Total Outlay

From Our Own Correspondent.

MONTREAL.—March has been a month of good weather in most parts of Canada, a contrast to the severe storms that prevailed a year ago. The open weather of the month makes it practically certain that both the Canadian National and the Canadian Pacific Railways will have excellent showings in net earnings for the first quarter of the year. January and February were excellent months on both lines.

The good increase in both gross and net earnings recorded on both lines is an optimistic factor for business in several ways. The fact that the Canadian National Railways had a substantial operating surplus instead of an operating deficit as in previous years indicates that the road is on the way to turning in a good operating record for 1924 to fulfil Sir Henry Thornton's optimistic predictions. The increase in Canadian Pacific Railway net earnings is, of course, a bright spot for investors in the securities of that corporation. And taking the increase in gross earnings of both lines as indicating the volume of business being done in the country, there is evidence of a healthy expansion in trade throughout Canada.

Canadian Pacific's Record

February is usually the lowest earning month for the C. P. R. The showing for February, 1924, has been very favorable in contrast to the poor record for February, 1923. Net earnings are in fact the greatest for any February since 1918, and with January's good gain, place the road nearly three-quarters of a million ahead of the first two months of 1923.

Earnings for the month of February compare with those of the corresponding month last year as follows:

	— February —		
	1924	1923	Inc.
	$	$	$
Gross	13,083,123	11,159,864	1,923,258
Wk. exp.	12,005,273	10,664,371	1,340,901
Net profit	1,077,849	495,493	582,356

The results for the first two months of the year compare as follows:

	— January and February —		
	1924	1923	Inc.
	$	$	$
Gross	26,475,555	24,308,779	2,166,775
Op. exp.	24,537,305	23,093,259	1,444,046
Net profit	1,938,249	1,215,519	722,729

Canadian National's Record

The Canadian National added a surprisingly large decrease in operating expenses to a fair increase in gross earnings in order to turn in a great improvement in net earnings.

An increase in gross revenue of $1.-728,191 in the month of February has been accompanied by a decrease in operating expenses of $774,695, resulting in an improvement for that month of $2,502,886.

For the first two months of the year an increase in gross revenue of $1,433,778 has been accompanied by a decrease in operating expenses of $2,098,650, and these two months show a net profit of $262,376, as compared with a deficit of $3,270,052, making an improvement for the first two months of 1924, as compared with the same period in 1923 of $3,532,-428.

Due to seasonal decreases in traffic and severe weather, the months of January and February are ordinarily expected, on the Canadian National Railways, to show deficits, and March is usually the first month when profits may be expected as a result from operations. This is the first year in the history of our combined operations that the system has approached the first of March with a surplus in hand insead of a deficit.

Gross earnings, operating expenses and net earnings for the month of February, and for the two months of January and February, compare as follows:

	— February —		
	1924	1923	Inc.
	$	$	$
Gross	17,784,518	16,056,327	1,728,191
Oper. exp.	17,971,559	18,746,254	*774,695
Net	†187,041	†2,689,927	*2,502,886
	— January and February —		
	1924	1923	Inc.
	$	$	$
Gross	36,113,009	34,679,231	1,433,778
Op. exp.	35,850,633	37,949,283	‡2,098,650
Net	262,376	†3,270,052	*3,532,428

*—Improvement.
†—Deficit.
‡—Decrease.

Indicating improvement in business throughout the country, the following record of gross earnings of the combined C. N. R. and C. P. R. systems is valuable:

	— Combined Gross Earnings —		
	1924	1923	Inc.
	$	$	$
February	30.867.641	27,216,191	3,651,449
Two mos.	62,558,564	58,988,010	3,600,553

CANADIAN GENERAL ELECTRIC

If a three-year extension of its fixed assessment can be secured at Peterborough, the Canadian General Electric Company will immediately build a $300.000 or $400,000 extension to its factory. A by-law authorizing a vote of the people on the question has been passed by the city council and the vote will be taken on April 23.

Dupuis Freres Sales More Than $4,000,000

(From Our Own Correspondent).

MONTREAL.—Total sales of Dupuis Freres, Montreal's large French-Canadian department store, were $4,-396,628 for the year ended January 31, 1924. This was an increase of 9.9 per cent. from the previous year's sales of $4,001,708.

None of the other department stores of Montreal gives figures of their yearly turnover, but it is understood that two other stores in the city exceeded the Dupuis figures in their fiscal years, covering approximately the calendar year 1923.

ASBESTOS MINES WILL CONTROL BLACK LAKE

No Outright Merger Planned of Two Asbestos Producing Companies

From Our Own Correspondent.

MONTREAL.—In the refinancing plans of Asbestos Mines no provision is made for the complete absorption of the Black Lake Asbestos and Chrome Company as had been expected. Most of the Black Lake stock and bonds, are however, in the hands of J. A. Jacobs and his associates, who control Asbestos Mines. These securities are being sold to Asbestos Mines, which will then control about 75 per cent. of the outstanding stock and practically all of the bonds of Black Lake. The two companies can be operated practically as a unit. An offer of around $37.50 per $100 bond in cash will likely be made to holders of Black Lake bonds who have not already accepted a previous offer of Mr. Jacobs for these bonds.

It is planned to issue $1,000,000 of first-mortgage bonds of Asbestos Mines. The money will provide for the retirement of the present issue of bonds at 110; for the purchase of the Black Lake securities, for the acquisition of additional asbestos properties, for the purchase of rights to a new process of asbestos extraction and for providing additional working capital.

Asbestos Mines states that it intends to try out on a wide scale the wet process which has recently been invented. Asbestos Mines has sole control of the patent and the directors freely forecast that this method will increase production and improve the quality of asbestos.

Better Business For Gould's Manufacturing

Profits of the Goulds Manufacturing Co. for 1923 amounted to $180,-645 as compared with $58,624 in the previous year. The volume of sales increased about $500,000. After the payment of dividends over $75,000 was added to surplus which now stands at $1,153,618, making the common shareholders' equity $254 per share.

	1923	1922
Profits	$ 180,645	$ 58,624
Bal. forward ..	1,076,395	1,114,947
	$1,257,040	$1,173,571
Pref. dividends	52,325	52,325
Com. dividends	44,850	44,850
Written down .	6,247	....
	$ 103,422	$ 97,175
Surplus	$1,153,618	$1,076,396

The net liquid assets of the company show an increase of $122,000 over the previous year. The ratio of total liquid assets after deducting related reserves to total current liabilities of 580 per cent. as against 565 per cent. the year before.

Speaking of conditions at the present time, President N. J. Gould says that there has been some improvement and prospects are fairly good for the resumption of normal activity.

ACT TO REGULATE SECURITY SALES IS BEFORE LEGISLATURE

Real Estate and Security Salesmen Must All be Licensed

BLOW AT WILDCATS

Provincial Secretary or Attorney-General May Warn General Public of Offerings

Salesmen offering securities or real estate in Ontario must be licensed if a bill now before the legislature becomes law. There is also a measure to assist in controlling wild cat companies. Under the latter the provincial secretary and local Crown attorneys are empowered to investigate any security which they may consider it advisable so to do, and, if it should, in their opinion, merit it, a warning concerning it may be advertised to the public by the provincial secretary's departments. All details of incorporation are required to be given in company prospectuses and must be sworn to by directors. Any director whose misrepresentation causes loss to an investor is liable himself for the amount, unless the misrepresentation of which he was guilty or countenanced was made in good faith. Heavy fine and jail penalties are also provided for violaters of the Act.

The companion is to license all brokers of shares and real estate. This bill will give an effective check for Western land swindles.

The Act provides first that the term director in it shall include "a provisional or a proposed director of a company and, in the case of an issuer other than a company, shall include a trustee, governor, member of an executive committee, and any other person acting in a capacity similar to that of a director." It then goes on to specify what shall be covered by the term "fraudulent," and states that it shall include:

"Any fictitious or pretended purchase or sale of securities; (2) any promise representation or prediction as to the future not made in good faith; (3) the gaining or attempt to gain directly or indirectly, through the sale of any securities a commission, fee, or profit so large that the solvency of the issuer of the securities is thereby endangered, and any scheme, device, or artifice to obtain such a commission, fee or profit; (4) generally any course of conduct or business which is calculated or put forward with intent to deceive the public or the purchaser of any security as to the nature of any transaction or as to the value of such security."

Various other definitions are then given in the bill. Person, it is stated shall include "a company, corporation, partnership, association, syndicate, trust, and organization incorporated or unincorporated, except municipal or school incorporations." Prospectus is to mean "any prospectus, notice, circular, advertisement or other invitation, offering for subscription or purchase any shares, debentures, debenture stock, or other securities, or published or issued for the purpose of being used to promote or aid in the subscription or purchase of such shares, debentures, debenture stock or securities;" security shall include "any share, stock, bond debenture, debenture stock, investment contract, certificate, or other evidence of an interest in the property or undertaking of the issuer;" sale shall include "an agreement for sale;" underwriter shall include a "sub-underwriter, and any other person who acts in the sale of securities to the public on behalf of the issuor, underwriter or sub-underwriter."

Important Clause

An important clause is one stating that it shall not apply to the issue and sale of securities in which trustees are authorized to invest funds, nor to mining partnerships recorded under the Mining Act, or to exceptions designated by order-in-council.

Various clauses govern company prospectuses. No prospectus shall be advertised which has not been filed with the provincial secretary. The prospectus is to contain the name and address of the issuer, particulars of incorporation, names and addresses of directors, nature of business, and scope of power of corporation, authorized capital, issued capital, paid-up capital, particulars of all liabilities, the number and classes of securities into which capital is divided, description of voting rights, preferences, rights to dividends, profits or capital of each class with respect to each other class, amount of the proposed issue, minimum subscription upon which allotment is to be made, terms of subscription, names and addresses of the vendors of any property purchased or to be acquired and details of payment, amount paid for goodwill, full particulars of the nature and extent of the interest, if any, of every director in the promotion of, or in the property proposed to be acquired by the issuer and also details of his qualifications for directorship, what portion of the proceeds of the sale of securitics will be paid to the original issuer and, if none, the prospectus must say so, the amount of commissions paid for selling, and such further information as the provincial secretary may see fit to acquire. The prospectus must be signed by all persons who are principals in the flotation, and if the stock is that of a company domiciled outside of Ontario, a copy of its prospectus shall be filed by a registered Ontario broker. Every vendor of any security must leave a copy of the company prospectus with the purchaser of the stock at the time of the purchase.

Regent Knitting Profits Touch New High Point

(From Our Own Correspondent).

MONTREAL. — Regent Knitting Mills had, in 1923, the best year in its history. Total sales were $1,878,000. This figure was lower than the value of sales in 1919 and 1920, when prices were on a higher basis, but net profits amounted to $138,849 for 1923, a new high record, and comparing with $85,510 for the previous year.

No Falling Off Yet in Commercial Requirements

NEW YORK.—The ease in money rates is causing considerable discussion as to whether or not the Federal Reserve Bank ought to lower its discount rate. Heretofore, any change in the rediscount rate has been made only after a pronounced trend for a considerable period has demonstrated, or at least indicated, the reasonableness of such a change. The recent extremely cheap call rates have brought this matter to attention.

These low rates, however, resulted largely from the quarterly tax operations of the Treasury, and do not clearly demonstrate, as yet, any decided falling off in commercial requirements.

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NEW C.P.R. LINE IN ALBERTA

LETHBRIDGE.—An early start on the new branch line through the Lethbridge northern irrigation district is expected. Vice-pres. D. C. Coleman, of the C.P.R., recently confirmed the announcement made last year that his company would build the line, a branch from Kipp, ten miles west of this city, through the heart of the new irrigated district, to the Little Bow River. Several new towns will spring up along this line as it will serve a large and fertile territory. In addition to the agricultural area it will tap a large coal mining region.

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LESS UNEMPLOYMENT IN ALBERTA

EDMONTON.—Due to demand for spring labor, there has been a considerable decrease in unemployment in Alberta, the number of unemployed at the end of last week being stated to be 481, which is the lowest figure for some years.

Pulp and Paper Securities

HOW WILL CANADA FARE IF THERE IS NEWS SATURATION?

Answer May be Found in Policy of International Paper

Already there are evidences of weakness in the newsprint market and it is anticipated that market prices will slump before the end of the year. The rapid increase in production has overtaken the increase in consumption.

However, most of the Canadian newsprint mills have their product sold for the first six months of the year at least, and many of them for the entire year. After that, even weaker conditions may develop in newsprint, it is felt by many in the paper industry.

Investors in the newsprint stocks may take these indications as unfavorable market factors, as at the moment, that may have a tendency to prevent any substantial improvement in the newsprint stocks. But there is nothing in the situation to make any holder of newsprint shares worried. The Canadian mills are, on the whole, able to produce newsprint at much lower costs than American mills, and the companies are financially strong enough to stand any strain until increased consumption of newsprint, and the conversion of many United States mills to power plants or high grade paper plants relieves the situation.

From Our Own Correspondent.

MONTREAL.—Most of the Canadian newsprint mills have their production for all of 1924 sold ahead and are not anticipating any marked decline in paper consumption on this continent during the present year. Nevertheless, the impending advent into the field of producing newsprint paper of so many new mills and new machines in old mills has convinced most observers that a period of readjustment is unavoidable in the newsprint industry of the continent. The word "readjustment" in itself sounds threatening enough to make investors in the newsprint stocks feel nervous. Yet the heads of the Canadian mills express no qualms as to the future. They feel that the net result of a period of readjustment between production and consumption will be the elimination of the smaller and weaker newsprint mills, practically all of which are in the United States, and the rise to even greater dominance of the large Canadian producers. If there should be any price-cutting in newsprint, it is felt that the Canadian mills have the reserves and the financial strength to outlast the smaller companies.

The Situation in Brief

The situation into which the newsprint companies seem to be driving is this: Production is increasing very rapidly, and, during the past three or four years, has, with minor reactions, lagged well behind the increase in consumption of paper. But a halt must come eventually to the steady rise in paper consumption, and many people think that at least some setback in the steady upward movement may be expected shortly. But the upward movement in production will not stop shortly, for too many new machines are definitely planned that will not begin to produce paper before late in this year, or early in 1925. Thus, there seems to be a time coming when the line of production will get above the line of consumption on the mental chart that the reader can picture for himself, and that means a period of temporary difficulties. The newsprint industry is in a position analagous to that occupied by the motor car industry of the United States at the present time.

Lower Costs In Canada

Canada is in a comfortable position as regards the production of newsprint, for it has cheap timber and cheap power, and can produce newsprint at lower costs than most American mills. Eventually, it seems that newsprint production on the continent will be centred in Canada, and so taking a long term view there need be no cause for anxiety on the part of investors in Canadian newsprint stocks.

It is quite likely that if a saturation point is reached in newsprint that relief will come, not from the failure of Canadian mills, but from the conversion of many United States mills either into high-grade paper mills, or into power plants. Evidence of this movement can be seen in the record of the International Paper Company, which has definitely decided to gradually bring about a concentration of its newsprint paper production in Canada.

Foreign competition has become a real problem for International Paper. The bulk of the newsprint imported into the United States comes from Canada, which is supplying a larger and larger proportion of American consumption each year. Canada is gaining an ever increasing advantage owing to vanishing timber lands in the United States. How United States imports of newsprint have increased in quantity and value is shown in the following table:

Year	Value	Pounds
1923	$98,021,045	2,617,685,620
1922	72,354,266	2,058,535,612
1921	79,123,368	1,584,962,674
1920	68,600,950	1,459,737,288
1919	43,674,094	1,255,468,758
1918	35,023,161	1,192,540,059
1917	30,929,628	1,118,225,912
1916	18,527,748	936,460,899
1915	14,138,651	736,817,721
1914	12,189,792	630,590,295
1913	8,920,390	446,445,685

Consumption of newsprint in the United States amounts to about 3,000,000 tons a year. In 1913 United States output totalled 1,305,000 tons, while that of Canada amounted to only 350,000. In 1920, owing to the high prices, United States production reached the record total of 1,512,000 but last year it was 1,485,000 tons, which is an increase of only 13.7 per cent. over 1913. Canadian output, meanwhile, has steadily expanded, reaching 1,263,000 tons last year, whereas in 1913 Canada produced only slightly more than 20 per cent. of the total of the two countries; ten years later her output was 46 per cent. of the total.

Facing the Situation

Newsprint manufacture in Canada also is stimulated by an embargo on export of pulpwood from Dominion crown lands, leased to United States manufacturers, and a movement is on foot now to extend the embargo to include wood cut on fee lands. In any event, it would appear to be only a comparatively short time until Canada becomes the principal newsprint manufacturing country in this hemisphere.

International Paper is meeting the situation in four ways: (1) By extending mill operations into Canada; (2) by diverting production from newsprint to fine grades of paper; (3) by converting mills into hydro-electric power plants; (4) by reducing costs.

Foreseeing the time when wood would have to be obtained largely in Canada, the International Paper Company secured lumbering permits for large areas from the Canadian government. Plans went awry, however, when the provincial government of Quebec forbade the exportation of pulpwood cut on crown lands. To overcome this obstacle International Paper constructed at Three Rivers, Quebec, one of the finest paper mills in the world. Capacity, which is now between 300 and 320 tons of newsprint a day, can be increased with a small outlay to 500 tons daily. Unlimited electrical power is at hand and some 3,000 square miles of timber lands owned or controlled by the company lie behind the mill the wood from which can be floated down without difficulty. For mechanical equipment, quality of output, economy, and limitation of labor, the plant is said to be unequalled.

Turning to High-Grade Paper

At present about 88 per cent. of the company's producing capacity is in the United States, while about 70 per cent. of its timber lands are in Canada. Presumably the wood supply in the United States will last but a few years. The company can take in pulpwood from some of its Canadian holdings, but this is rather expensive and may yet be stopped by government action. At any rate if the company is to maintain its position it will have to add to its Canadian mill facilities, and this is understood to be a policy of the present management.

As a further measure to keep profits up in the face of newsprint competition and other handicaps, the company has been going more and more into production of the better grades of paper. In 1913, newsprint comprised about four-fifths of the company's total output, whereas in 1922 newsprint output was only about twice that of other grades. The production for 1923, notwithstanding a period of abnormally low water at several of its mills, was 537,927 tons, of which 352,518 tons were newsprint paper.

Water Power Development

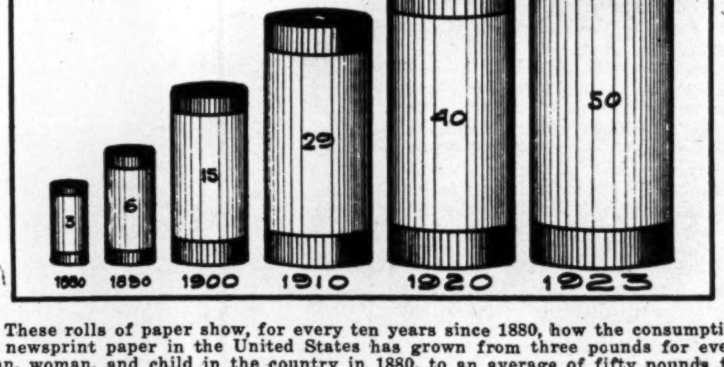
A third step taken by the company in readjusting its position is the development of its extensive water powers. Plans are also under way for the transformation of six of the company's seventeen mills into hydro-electric plants.

As each of these paper mills steps out of the field it makes room for the production of one of the many new Canadian machines now being built. And that is likely to be the solution of the newsprint problem. Canada's newsprint will eliminate much of the United States newsprint, and, while the process may take time, and may involve temporary readjustments that may cut into profits, the long-term outlook for Canadian newsprint mills is decidedly excellent.

RECORD LUMBER CUT IN QUEBEC

QUEBEC.—Reports to the Department of Lands and Forests for Quebec state that the recent snowfalls have changed activity in lumber camps from cutting to the hauling of timber, which is available in large quantities. It is estimated that the lumber cut this year will be a record one.

Newsprint Consumption in United States



These rolls of paper show, for every ten years since 1880, how the consumption of newsprint paper in the United States has grown from three pounds for every man, woman, and child in the country in 1880, to an average of fifty pounds for each person in 1923. And to-day the population is over double what it was in 1880.

The figures on the rolls are pounds per capita, and the rolls themselves have been drawn exactly to scale.

Not only is the per capita consumption of newsprint paper in the United States greater than that of any other country in the world, but this nation uses more of it than all the other countries of the world added together.

This enormous use of newsprint paper in the United States is due to the greatness and intelligence of its people. We ought all to be proud that we live in this country.—International Paper Monthly.

ST. MAURICE MADE MONEY FROM ITS GROUNDWOOD PULP

Profits Nearly Double the Total for Year 1922

From Our Own Correspondent.

MONTREAL.—A strong market for groundwood pulp that prevailed throughout the year 1923 had a very favorable effect upon the earnings of St. Maurice Paper Company. This company has an excess production of about 100 tons a day of groundwood pulp over and above its own needs for the manufacture of newsprint paper, and it was able, during 1923, to market this readily, and at good prices. In addition, it had the benefit of a year of steady newsprint production and sales, and was able to show operating profit of $1,255,413, as against $696,594 in 1922. After depreciation, this was equivalent to about 12.76 per cent. on the capital outstanding, as compared with 5.63 per cent. in 1922.

Groundwood is not in as strong a position now as during most of 1923, but St. Maurice is determined not to take chances on the pulp markets. It has already planned to instal new machines that will take care of practically all of its present excess production of 100 tons a day of groundwood pulp, and about 70 tons a day of sulphite. This sulphite by the way, was sold at a profit during the entire year 1923, although most of the sulphite mills were having a poor year. This was because of the favorable location of the St. Maurice Paper Company in Three Rivers, where the St. Lawrence Paper Mills also have their mill. The St. Lawrence has never put in sulphite digestion, but purchased the entire excess sulphite production of the St. Maurice Company in 1923. This arrangement will continue until St. Maurice requires its own production of pulp to feed its new paper machines.

The comparative profit and loss statement of St. Maurice during the past three years have been as follows:

	1923	1922	1921
Op. prof.	$1,253,431	$696,594	$1,046,679
Deprec.	213,377	251,518	339,950
Net profit	$1,040,054	$445,076	$ 706,729
Prev. bal.	668,027	617,946	1,246,450
	$1,708,081	1,063,022	$1,953,179
Dividends	849,239	394,995	631,992
	$ 858,842	$668,027	$1,321,187
Written off	......	......	703,241
Surplus	$ 858,842	$668,027	$ 617,946

The company's working capital shows some decline, the chief change in the balance sheet being an increase in the bank loan from $1,000,000 to $1,390,000.

Working capital compares as follows:

	1923	1922	1921
Cur. assets	$3,395,452	$3,210,736	$3,653,925
Cur. liab.	1,763,564	1,471,939	1,996,248
Working capital	$1,631,888	$1,738,797	$1,657,677

The balance sheet does not reflect all the changes that have recently taken place in St. Maurice, for it shows issued stock at $8,149,900, although practically all of the balance of the $10,000,000 authorized has since been issued to pay for new timber limits acquired, and to raise capital for the construction of the new paper-making machines.

No word has as yet been given out by the company's officials regarding the issue of bonds that was mentioned some time ago as a likelihood.

MUST GET LICENSE TO START PAPER MILL

Ontario Aims to Curb Reckless Establishment of Plants to Use Forest Areas

From Our Own Correspondent.

Ontario is taking two important steps for the promotion of sounder forest industries in the province. One provides for an embargo on the export of hardwoods cut from Crown lands; the other provides for the licensing of all new lumber, pulp, or paper mills.

The hardwood embargo, it is anticipated, will have a tendency to concentrate furniture, sewing machine and similar factories in Canada. In the past Ontario hardwoods have been exported to factories in the United States for manufacture.

The scheme to license mills using timber was forecast in THE FINANCIAL POST some weeks ago, when it was stated that it would be the policy of Hon. James Lyons, the new minister of lands and forests, to control the establishment of new pulp and paper mills in the province in order to prevent mills being erected that would flood the market with products beyond the saturation point. It will enable the province also to prevent the erection of too many plants in one locality where timber supplies are inadequate to support them.

Belgo Earnings Said to be More Than 15%

MONTREAL.—Since bringing into operation the last of its new paper machines, the Belgo-Canadian Paper Company has been able to increase its rate of earnings and it is understood that they are now running at over the rate of 15 per cent. on the common shares that was shown by the recent preliminary statement for six months to Dec. 31. This is equivalent to about five and a half times preferred stock dividends.

It is understood that the management intends to present a further six months' report as at the end of June next but that the company's fiscal year will likely end as at Dec. 31. The first report will, therefore, be for eighteen months.

With the new machine in operation, Belgo has a capacity of about 115,000 tons of newsprint and is now a nicely-rounded-out newsprint producing enterprise.

The preferred shares, offered last spring at 96, are now selling from 91 to 92 and the common is quoted from 70 to 75 in unlisted transactions.

Newsprint Man Starts On Visit to Australia

MONTREAL.—A. L. Dawe, manager of the Canadian Export Paper Company, left this week for Australia. His company, which represents many of the large newsprint producers in Canada, has an agency in Australia and sells a certain amount of newsprint there.

Mr. Dawe is making a business trip. It is understood to have no particular significance, although it will be recalled that Canada has at various times attempted to get Australia to make arrangements to give our newsprint equal opportunities in Australia with British newsprint. If such a concession could be obtained, the market for Canadian newsprint in Australia would be considerably widened.

THE ROYAL BANK OF CANADA

Statement to the Dominion Government (Condensed)
February 29, 1924

Head Office
MONTREAL

LIABILITIES.	
Capital Paid up	$ 20,400,000.00
Reserve Fund	20,400,000.00
Undivided Profits	1,085,830.67
Dividend No. 146, payable 1st March, 1924	612,000.00
Notes in Circulation	28,358,537.74
Deposits	447,144,475.69
Due to other Banks	16,307,557.66
Bills Payable (Acceptances by London Branch)	4,870,822.99
Letters of Credit outstanding	20,450,197.47
	$559,629,422.22
ASSETS	
Cash on Hand and in Banks	$105,162,873.11
Deposit in the Central Gold Reserves	9,500,000.00
Government and Municipal Securities	67,054,023.39
Railway and other Bonds, Debentures and Stocks	10,198,686.30
Call Loans in Canada	18,779,705.33
Call Loans elsewhere than in Canada	35,802,146.17
	$246,497,434.36
Loans and Discounts	275,881,948.34
Liabilities of Customers under Letters of Credit as per contra	20,450,197.47
Bank Premises	13,676,473.39
Real Estate other than Bank Premises	1,683,987.29
Mortgages on Real Estate sold by the Bank	419,381.43
Deposit with Dominion Government for Security of Note Circulation	1,020,000.00
	$559,629,422.22

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REPORT OF BOARD OF DIRECTORS

To the Shareholders:—

Your directors submit the report of the General Manager covering operations for the year ending December 31st, 1923; Profit and Loss statement for the same period and Balance Sheet as at the end of the period.

The report and statements show the results of the year's operations, the financial position of the Company and the physical condition of the properties. Operations resulted in a combined loss of $40,564.19 for the LaRose and University Companies, briefly shown as follows:—

	La Rose	University
Gross value of ore produced	$174,047.49	$23,226.10
Cost of mining and all other expenses, including marketing ore deductions and expenses and depreciations on buildings and equipment	221,894.05	32,140.97
	$ 47,846.56	$ 8,914.87
Miscellaneous Income	15,713.22	484.02
Loss for year	$32,133.34	$ 8,430.85

The past year has been a difficult one for your Company. During the first five months of the year there was no production from the properties. The new shaft at the Violet was being sunk and development work was being carried on at the Princess, University and La Rose Extension properties. The cost of the development and prospecting work done during the first five months was in excess of $80,000, and while the profits on production for the remaining seven months were fair, they were not sufficient to offset the expense of the work done during the first five months.

The results of development work undertaken were much less favourable than the indications promised, and the amount of new ore discovered was small. This, together with the exhaustion of the known ore in the different properties, resulted in your directors being faced with the necessity of arriving at a decision regarding future operations. The alternatives were to stop further exploration and mine the known ore as quickly as possible, or to carry on additional work in the hope of finding new ore bodies. Your company has been one of the big silver producers of the world, with a total production to date from its mines of 26,719,840 ounces. Dividends paid to date from the operations of its properties amount to $7,805,409, which places it fourth in the list of Cobalt companies and fifth in the list of all precious metal mines of the Province. It is a matter of great desire on the part of your directors to continue the life of the Company if it is possible to do so; therefore, to enable your directors to arrive at a decision, a thorough survey was made of all properties. Your manager was assisted in this work by an independent geologist who has made a particularly close study of the Cobalt camp. It was advised that for the present no further work be done at the LaRose, Princess, Lawson and No. 3 shaft at the University. This does not necessarily mean that these properties are to be definitely abandoned, as it was pointed out that there is a possibility at some future time, of work being done on adjoining claims which may lead to further discoveries on these properties.

At the No. 1 shaft of the University, which was closed down a number of years ago, there is a strong low grade vein which has been developed to only a limited extent, and to the south of the shaft there is a considerable area which has never been prospected. Your directors are advised that further work in this section is justified; that the No. 1 shaft should be re-opened; that further drifting should be done on the vein and that crosscuts should be run south into the virgin territory under Giroux Lake.

At the Violet drifting was continued east on both the 635 and 685 foot levels, and while silver has been found in several places, the quantity has been small. It was pointed out, however, that the largest part of the production from this property to date has come from the Keewatin, underlying the diabase, while on adjoining properties the diabase has been the most productive formation. Your directors were advised to continue drifting several hundred feet into the diabase and then run crosscuts north and south in the hope of picking up new ore shoots.

Considerable work was done on the Fisher Eplett property a number of years ago. At that time the geology was not as well understood as it is to-day and it is now a question whether or not this work was done sufficiently close to the contact. The workings, however, are filled with water and before deciding on any further work it is considered advisable to have the mine pumped out, so that the workings can be examined.

Your directors are of the opinion that these recommendations should be followed out. It has, therefore, been decided to do this proposed exploration and at the same time maintain sufficient cash in the treasury to enable the Company to continue its search for new properties and to do further work on the Company's properties if the justification arises.

Your Directors regret to report that Mr. David Fasken, K.C., of Toronto, who has been a director of the Company from its earliest days, has resigned from the Board for reasons of continued ill health.

Respectfully submitted on behalf of the Board,
D. LORNE McGIBBON,
President.

Montreal, March 4, 1924.

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The Current Issue of
Gibson's Fortnightly Mining Review
contains interesting articles concerning recent mine developments in the
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as well as up-to-the-minute information on Castle Tretheway, Dome Mines, McIntyre, Lorrain, Trout Lake, Teck-Hughes, and numerous other Northern Ontario mining companies.
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Homer L. Gibson
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Bank of Hamilton Bldg.
TORONTO

MINING NEWS FOR THE INVESTOR

DOME CONTROVERSY WAGES; CANADIANS WANT DIRECTORS

Think That They Are Entitled to Representation For 30% of Stock

The Dome controversy is getting rather brisk. The third long circular has made its appearance. No. 2 was an answer by Dome directors to the Canadian-Rochester insurgents. The answer was quite pointed, and compared favorably with the remarks of the president at the last annual meeting, the answers being directed entirely at the Rochester Committee.

The principal points raised would seem to be covered in the following paragraphs.

Offices of president and treasurer have been held by one person since 1915. This practice has always been found to work economically and satisfactorily, and that the stockholders, by their almost unanimous action at the last annual meeting, approved of a continuance of it.

Investment of the company's funds except call loans, is done by a special committee of the board of directors, and all actions of that committee are submitted at each monthly meeting of the board, and fully discussed.

All call loans are made by the Empire Trust Co. against ample collateral security and without interference of any officer of Dome Mines Ltd.

The investments (all prime investment bonds) made by the special committee of your board having the matter in hand have resulted in a profit already realized up to date of over $50,000; in addition to that profit an average of over $2,000,000 has been kept invested at a return of about 6.25 per cent. to the company.

Dealing with the mine's position it says:

"During the period of five years and four months of its incumbency, (the present board) active operation has been resumed; a practical and efficient mining organization has been developed, admittedly second to none; costs of operation challenge comparison; an esprit de corps among its employees has been developed, which is favorably commented upon by every expert who has visited the property. In practical financial results, the management points to the fact that in the period mentioned, it has declared and paid in dividends, including a return of capital, the sum of $4,451,669.50. It has invested and placed in the treasury of the company nearly $4,000,000, which is the undisputed property of the present holders of its shares; it is regularly earning and paying dividends that would have been deemed impossible at the time at which the present management was voted into control of the property."

Home Smith, holding 3,000 shares and an interest in another 4,000, replies for the Canadian committee, making the point that Canada holding about 30 per cent. of the stock should have more than one director. He says that the method of investing the funds of the mine is a recent one, wonders when it went into effect and who is the safe-guarding committee. He also would like to know when Empire Trust took up the task of handling call loans. He likewise wants to know about loans to the officers and terms the announcement in this regard a "Russian Victory," the directors are proclaiming. Discussing the investment of funds he says:

"Dome is a gold mine, and all that Canadian shareholders desire is that the speculation be confined to the mine, that in the administration of the surplus assets there be no added element of risk, and that these assets be administered by the purchase of trustee securities, as are the surplus funds of the Nipissing Mines and the Hollinger Gold Mines. Furthermore, the directors boast that they have secured ' a return of about 6.25 per cent. to the company,' which fact alone clearly demonstrates that the investments are not in trustee securities and that—risk attendant upon a high rate—is the directors' policy of investment. The Canadian committee contends that shareholders have all the speculation desired in operating a gold mine, and do not ask for that speculation plus a further speculation in New York market securities."

He sums up the case as follows:

"What is desired, and what to my mind is an absolute necessity, is that those on both sides should agree upon a board of directors upon which the Canadian shareholders are adequately represented, and the personnel of which will inspire confidence in all shareholders and will put an end once and for all to the civil war now being waged. Such a course, coupled with a clear statement of administrative policy, especially with regard to the investment of the cash surplus and the publication of investments, would definitely clear the air and command public support."

Clifton's Proxy Sets New Concerns Example

Clifton Consolidated shares are listed this week. In making the announcement, President Homer Gibson, gave some figures on South Lorrain and set a fine example to new mining enterprises which make many wild and absurd statements when making their offering, in the following statement:

"It is not intended to convey the impression that discoveries of equal richness are certain to be made on the new properties of Clifton Consolidated. If such were the case, the stock could not be obtained for such an absurdly low price. It is intended, however, to point out to those who are in a position to take a reasonable chance with the stock of a company which has a moderate capital, adequate acreage on which ideal geological conditions exist, with an energetic campaign of development about to begin, that there is a splendid chance that silver in commercial quantity will be opened up."

REACHES 1,000 FT. LEVEL

Shaft of Tough-Oakes-Burnside has reached 1,000-ft. level. A level will be cut at 1,025-ft. Lateral work will then be pressed.

Mining Court For Ontario

The measure to set up a mining court for Ontario and make the mining commissioner a superior court judge has been introduced in the legislature. This will meet with the approval of the mining people of the province. Commissioner T. E. Godson, K.C., has long been handicapped in his endeavors to aid the industry by lack of powers. The decks are soon to be cleared.

Mining List Continues Its Fractional Decline

The mining market is surprising everyone. Nothing seems to stir it up. For the past couple of weeks it has been most irregular with the tendency downward. Many expected that the announcement of the South Lorrain railway would provide the necessary stimulus for an awakening, but it did not. Keeley, Mining Corporation, and Trout Lake-Lorrain, the three issues most vitally interested, failed to get the least bit excited.

The gold shares have been quite weak. Dome, McIntyre and Hollinger have held up fairly well. Vipond, Teck-Hughes, Night-Hawk, Tough-Oakes-Burnside, Lake Shore and Wright Hargreaves, have all shown substantial declines.

Some brokers are predicting a good market in the not distant future. It may be a case of the wish being father of the thought, but taking the list as a whole it seems to be in a good position for a rise. Many good stocks are regarded as being cheap to-day, but of course this is on a basis of discounting future developments.

U. S. SILVER PRODUCERS TAKE HEAVY LOSSES

Full Effect of Expiry of Pittman Purchases Not as Yet Felt

The effect of the decline in the price of silver in the U. S. due to the expiration of the Pittman Act, cannot be determined until the industry has adjusted itself to these conditions for another year, according to the U. S. Gold and Silver Commission. A great wastage, which will probably continue under present unfavorable conditions, has taken place in silver ore reserves, mine equipment, and capital invested in the industry. Many of the problems confronting the silver industry are not subject to legislative solution and it is suggested that co-operation of producers may meet the situation, although the solution of some problems may require amendment to present laws or new legislation. The Commission refers to proposed investigations by the Bureau of Mines, as to developing new uses for silver, and suggests a voluntary contribution by producers and fabricators of silver, of $10,000, to conduct the work until July 1. Congress has been asked to appropriate $15,000 for these investigations for the year beginning July 1 and the Commission suggests that a like amount be contributed by silver producers and fabricators.

Outlook For New Ore on La Rose Not Good

As forecast in THE POST some weeks ago, La Rose annual report shows a loss of $40,564 on 1923 operations. This is mainly due to the fact that in the first five months of the year there was no production. President D. Lorne McGibbon, did not picture a bright outlook in his report. He said:

"Development work was carried on at the Princess, University and La Rose Extension properties. The cost of the development and prospecting work done during the first five months was in excess of $80,000, and while the profits on production for the remaining seven months were fair, they were not sufficient to offset the expense of the work done earlier in the year. The results of the development work undertaken were much less favorable than the indications promised, and the amount of new ore discovered was small. Since the known ore in the different properties is exhausted, the directors made a thorough survey of all the property to devise a policy to continue the life of the company, if it is possible to do so. An independent geologist was secured who advised that for the present no further work be done at the La Rose, Princess, Lawson and No. 3 shaft of the University. There is a possibility at some future time of work being done on adjoining claims which may lead to further discoveries on these properties."

Davidson Outlook is Decidedly Promising

Porcupine-Davidson shaft, is now in very interesting territory below the 450 ft. Water troubles have somewhat slowed down developments.

Cross-cutting to the old workings, and the developments of the excellent ore already exposed in the five levels driven from the old shaft will soon commence. The sinking of the new shaft to a depth of 1,000 feet—at which depth it should connect with the main ore body—will at the same time be continued, Sir Archibald Mitchelson, Bart., recently told shareholders at the annual meeting. Prospects of encountering another ore body are considered bright because of the favorable condition of the ground which the new shaft passed through. Quartz stringers exposed recently indicate such a body is near and drilling in an effort to pick it up is now being done. The company is well financed.

MEET APRIL 15

Montreal-Ontario Mines' shareholders meet April 15, when the question of the financial reorganization of the company will come up. The object is to enable the company to carry out further developments as recommended by its engineer.

MATACHEWAN LOOMS AS TREMENDOUS CAMP

Large Capital May Take Up Development of Important Properties

There are prospects of large developments in Matachewan during the coming summer. Discoveries in Townships of Cairo, Powell, Baden, Holmes and McNeil, have caused a rush of prospectors, who are now engaged in staking out hundreds of claims. An important deposit, in fact one of the most important ever made in Northern Ontario, has been opened up on Davidson-Young properties. This together with the large gold deposits on the Otisse, now Matachewan Canadian, has focused the attention of some of the largest mining companies in the world on the camp.

In addition to these, American Matachewan and British Matachewan have large holdings in West Powell, while two miles north in the same township, Powell Matachewan, have a property on which a very important discovery has been made. W. J. Shields, the company's superintendent located a vein over 200 feet wide from which good gold values have been taken from several places close to the surface.

Other important properties in Powell, include Lake Matachewan, which is in close proximity to the Davidson-Young and immediately adjoins Otisse. This has the favorable geological formation of the camp. Matachewan Rand has good showings, Cairo Tp. east of Powell, has a number of excellent claims though most of this township was only recently staked. Holders in there are Cairo Mata., Bloom Lake Mata. The later has 290 acres and also 7 silver claims in Gowganda. On the gold property there are two veins 142 and 200 feet wide, with good surface values. Another important gold property is the Theosaurus Gold mine in Baden township. This company has a shaft down to a depth of 270 feet with good values all the way down.

KIRKLAND LAKE REFINANCING

Kirkland Lake Gold directors meet to-day to pass on the new financing plans. It is announced that J. B. Tyrrell interests get 500,000 shares of the preferred shares at 70c. a share and 1,000,000 shares of the common at 10c. a share. They are also to have an option on 1,000,000 shares of treasury common stock at 10c. a share. Beaver Consolidated is to take 500,000 shares of preferred stock for its indebtedness, and after the reorganization will own 500,000 shares preferred and approximately 1,500,000 shares of common. and 1,000-ft. levels. This company is The preferred shares may be redeemed at $1.10 per share. Old shareholders get one new for two old shares.

TAKE UP McINTYRE SHARES

Another block of 21,000 shares of McIntyre, making 34,500, have been taken up under the Miller option on 70,000 shares. The price is $15.

SILVER AND OTHER METALS

March	31	1	2	3
Silver—				
London (P)	33¼	33 5/16	33 5/16	33¼
New York	64⅞	63¾	63⅝	63⅝
Copper	13¼	—	13⅝	13⅝
Lead	8.87	—	8.87	9.00
Zinc	6.30	—	6.25	6.20

Mining Stock Quotations

Week Ending April 1.

	High	Low	Close Apr. 1	Close Mar. 25
Apex	2½	2½	2½	2½
Argonaut	52	48	51	52
Atlas	4	4	4	4⅛
Baldwin	4½	3⅞	4½	5
Beatty Rts.	3½	3⅜	3¼	3
Beaver	28	22¼	24⅜	29¼
Bidgood	10¾	10¼	10½	10½
Boston Creek	9	9	9	—
Buckingham	5½	4¼	5	5½
Castle Tre.	76½	68	71	78
Can. Lorrain	44	40	41	45
Capitol	37	34½	35	38
Clifton Con.	22	19¼	19½	—
Coniagas	2.10	2.05	2.05	2.15
Cons. Smelters	37½	36	36	37
Cons. W D.	24⅜	21½	23	24⅜
Clifton	10½	8¼	9¼	8½
Col. Kirkland	7	6½	6¾	7
Crown Res.	63¾	59	60	64
Davidson	4¼	4	4¼	4
Dome	18.35	17.80	17.80	18.90
Gold Reef	2	2	2	2⅞
Everett	13	12	12½	13
Goldale	23¼	20	22½	23¼
Hattie	9	7½	8	8½
Hollinger	12.40	12.05	12.20	12.45
Hunton	9	7	9	9
Indian	20	17½	19	19
Keora	10	8¼	8¾	9¼
Keeley	2.34	2.27	2.30	2.35
Kerr Lake	1.80	1.80	1.80	—
Kirk. Lake	21¼	21	20	23¼
Lakeside	24¼	21	22	24⅜
La Rose	18¼	12	15⅜	18¼
Lake Shore	3.85	3.77	3⅞	3.86½
Lorrain, T. L.	1.40	1.20	1.30	1.27
Lorrain	17	15¼	15¼	17¼
McIntyre	16.65	15.80	16.05	16.65
McKinley	15¼	14	14	15¼
Mining Corp.	3.50	3.39	3.50	3.44
Moneta	20¾	19½	20	20¼
Montreal, Ont.	9	8	8	9
Newray	35¼	33¼	34	35¾
Nipissing	6.50	6.20	6.20	6.50
Night Hawk	90	89⅞	89⅞	85
Ophir	3¼	3¼	3¼	3¼
Pete. Lake	9	8¼	8¼	8½
Preston	12¾	12¼	12¼	13
Rouyn	47	44¼	44⅞	48
Teck Hughes	1.25	1.15	1.16½	1.25
Thomp. Krist	6	5	5¼	6
Timiskaming	28	27	27¼	29
T. Oakes	69	65	66½	70
Trethewey	14	13	13¼	14¼
Vac. Gas.	8½	6⅛	7¼	5
Vickers	21	18	21	19
Vipond Cons.	1.21	1.15	1.16	1.23
Wasapika	4	3	3	3
West Tree	4¼	4	4¼	4¼
Wettlaufer	23	22	22¼	22¼
Wright Har.	2.85	2.70	2.85	2.85
NEW YORK PRICES				
Int. Nickel—				
com.	13⅛	12¼	12¾	13¼
pref.	80	78¼	78½	78½
OIL COMPANIES				
B. A. Oil	35	34⅞	35	35⅜
Imperial	110	110	110	110¼
Inter. Pet.	19⅝	19	19⅝	19¼
Mutual	12	11¾	11⅝	11⅞
North Star—				
com.	1.00	1.00	1.00	1.00
pref.	3.50	3.50	3.50	3.65

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Latest News from Lakeside
is to the effect that the machinery is expected at the property in a few days, and that the sinking of the mine shaft is being accelerated. "The Mining News" will keep you informed on developments at Lakeside Lorrain. Sent free on request.
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34 KING STREET EAST - - TORONTO
Telephone Main 4440-1.

Power Development for North Manitoba Mine

WINNIPEG.—A proposal is afoot to build a hydro electric power plant on the Grass river, 400 miles almost due north of here.

Nelson, Churchill and other rivers in the north give promise of big power developments. The possibilities of Grass River and Wekusko rapids near by are not great but the power is needed for the Bingo mine. It will be developed largely with English capital. A 15-mile power line will be necessary to supply the Bingo.

HIGHER PRODUCTION OF SILVER EXPECTED

South Lorrain was a big factor in Northern Ontario silver production in 1923 and will figure larger than ever this year. The 1924 total will have another producer to assist Miller Lake O'Brien in bringing up the Gowganda total. Besides the Genesee and Menago were added to Cobalt producers last year. Everything points to another prosperous period of silver production.

Silver production figures follow:

Shippers	Fine oz.	Value $
Silver areas	10,493,097	6,770,174
Gold mines	159,334	101,031
Nickel-copper ref.	54,075	34,536
Total	10,706,506	6,905,741

Premier Paymaster Has Issued Another Call

The directors of the Premier Paymaster have called another assessment of 10c per share. Stock remaining unpaid on March 1 becomes delinquent on that date and if defaulted will be sold on April 1. This is the fifth assessment levied. Numbers 1 and 2 were each five cents, and numbers 3, 4 and 5 were ten cents each a share, making a total of 40c. a share called to date. Some time ago it was decided to sink the shaft to the 1000-ft. level and develop the mine to that depth. This necessitated installing a larger plant. The company now has a complete electrical equipment comprising a 1,500-ft. hoist, 13-drill compressor, electric motors, transformer, drill sharpener, a Diesel oil-burning engine as an auxiliary, an enlarged power house, transformer house, new bunk-house and several other buildings, etc., providing housing accommodations for practically double the former working force. In addition to these improvements more than 10,000 feet of diamond drilling has been completed. The development calls for the expenditure of $15,000 a month.

Work the past month has been confined to enlarging the stations at the 300, 400 and 600-ft. levels, also cutting a sump hole at the 400-ft. level which will drain the mine above that depth. This work has been completed and there are now five working stations, from the 200 to the 800-ft. levels. A drift has been started to cut No. 3 vein at the 300-ft. level. Another drift has started at the 400-ft. and soon work to the same purpose will be underway at both the 600 and 800-ft.

As the shaft is out of the vein from the 600-ft. down it will be necessary to drift north to cut No. 1 vein as well as south to cut No. 3 vein at all levels below the 600-ft. When these drifts are far enough in from the shaft so that there will be no danger of rock falling into it when blasts are fired, sinking to the 1,000-ft. level will be resumed.

WILL INCREASE CAPITAL

Canadian Lorrain shareholders have authorized the increase of the capital from $2,000,000 to $3,000,000 for the purpose of providing for the additional development of the property. It was recommended by shareholders that if it would not interfere with the financing they should be given a chance to subscribe pro rata for the new stock. An encouraging progress report was presented.

FOUND METHOD TO TREAT TAR SANDS

Calgary Man Has Been Trying to Utilize Vast Alberta Deposits

From Our Own Correspondent.

CALGARY.—Alberta tar sands, as a commercial proposition, are again attracting considerable attention. For many years these tar sands, or more correctly speaking, "oil" sands, have created much speculation. There have been geological surveys galore, but beyond reporting on the vast area of the deposits, no feasible plan has been suggested whereby the oil could be profitably extracted.

For the past two years, however, William Georgeson, Calgary, has been quietly working out a method of treating the sands, which has now been patented, and which, it is stated on the authority of Dr. G. A. Ings, has proved by experiment to be highly successful. High costs and disposal of refuse, has been the trouble, the government regulations forbidding the depositing of refuse in the rivers.

Georgeson's process separates the hydro carbons from the sands, the chief requisites being boilers and pumps. The tar sands being heated to boiling point immediately dissolve, the oil coming to the top. The latter is easily run off, and means have been found for the disposal of the refuse.

The tar sands districts are bounded by Athabasca and Clearwater rivers, comprise an area variously estimated at 20,000 square miles with an approximate average depth of 150 feet.

The Dominion Government reports show a probable production of 300,000 barrels of oil per acre, or 48,000,000 from each quarter section.

Geologists differ as to the origin of the deposit, some contending that it was brought down and laid in its present condition by floods, others claiming that it was an original oil field eroded during the flood period, and that a large portion of the sand was swept through the central portion of Alberta, and on to Montana, where oil is found too heavy to pump.

If anything comes of the new process, it will be an unexpected slice of luck for the Alberta and Great Gateways railway, a provincial government owned concern which has been nothing but a joke since it was constructed and which yearly shows a big deficit.

Premium on New York Funds is Profitable

Ontario gold-producing companies receive payment in New York funds irrespective of whether shipments are consigned to the Canadian or United States Mints. In consequence they reap the advantage of the exchange premium. For the past four years the average annual premium rates were:

Year	%
1920	12.27
1921	11.61
1922	1.45
1923	1.97

Corporation of Town of Mimico

Debentures For Sale

SEALED tenders addressed to the undersigned and clearly marked as to contents will be received up to 5 p.m., Monday, April 14th, 1924, for the purchase of the following debentures:

$46,000 5½% 20-year instalment Mimico Hydro Electric System debentures dated February 1st, 1924.

$100,000 5½% 30-year instalment High School debentures guaranteed by the County of York, dated March 15th, 1924.

Highest or any tender not necessarily accepted.

HARRY B. FOREMAN, Town Clerk.
Dated at Mimico, April 3rd, 1924.

NEWS OF THE BANKS AND BANKING

HEAVY PRESSURE FOR REPAYMENT HOME DEPOSITS

Public Opinion Reflected in the House of Commons

From Our Own Correspondent.

OTTAWA.—The Home Bank is by far the thorniest question before parliament. In this respect it has the tariff badly beaten. The tariff is an impersonal matter; but the Home Bank goes right home. It went right home to 60,000 depositors; the names of two ministers have been mixed up in the matter, and an ex-minister of finance has frankly stated in the House that one of the purposes of the royal commission of enquiry is to get the hide of an ex-minister of finance.

The debate on the Irvine resolution for the appointment of a committee of the House to investigate the affair was desidedly acrimonious. The fur flew in all directions. And a lot more is quite certain to fly before parliament gets through with the matter.

A feature of the proceedings worth noting is the strength of the sentiment expressed to the effect that the depositors should be re-imbursed Some of the speakers came out for this in a very cautious manner; but almost all of them arrived at the same conclusion. Some of them said that the Bankers' Association should be made to come through for the depositors. Others said that failing this the government should not hesitate to do so.

Another point worth noting is the virtual contention, even in high places, that if during the war the true state of the Home Bank's affairs was known to the then minister of finance, it will be rather hard to dodge governmental responsibility. Stripped of camouflage, that is what much of the argument amounts to.

It is also to be observed that the resolution that passed the House contemplates action by the banking and commerce committee, not only with the view of improving the Bank Act but also "with respect to the possibility of saving the Home Bank depositors from loss." As this carried by a very large majority, the thought of making some one come through is very clearly in mind.

The prime minister imparted considerable information on the efforts made by the directors to persuade the government to come to the rescue Speaking of the visit of a deputation he said:

"The only recollection I have of any deputation is a deputation that came late one evening to ask if the government would make some huge deposit in order to meet the situation for the next day, and I myself declined to entertain a thought of the kind. My recollection is that we were told the bank would fail, if that were not done, and I think it was the day following or two days after that, that the bank closed its doors."

EXCHANGE ON FREIGHTS

OTTAWA.—The rate of exchange in connection with shipments of freight between points in Canada and the United States from April 1 to 15, inclusive, will be 2¼ per cent., in accordance with an order issued by the Board of Railway Commissioners. The rate of surcharge on international freight shipments will be 1 per cent. During the same period the rate on international passenger business will be based on 2 per cent. exchange.

IMPERIAL

The Imperial Bank of Canada announces the closing of its branches at Portage and Colony, Winnipeg, March 31; Crossfield, Alta., April 12.

The Bank Debits 20 Industrial Accounts

BANK DEBTS TO INDIVIDUAL ACCOUNTS AT THE CLEARING HOUSE CENTRES OF CANADA, JANUARY AND FEBRUARY, 1924, WITH BANK CLEARINGS FOR FEBRUARY.

	January $	February $
Maritime Provinces—		
Halifax	20,156,380	17,798,667
Moncton	6,401,059	5,332,836
St. John	25,380,034	23,435,505
Total—Mar. Provs.	51,937,473	46,567,008
Quebec—		
Montreal	566,100,863	640,811,267
Quebec	43,156,211	36,141,889
Sherbrooke	7,665,011	6,661,855
Total—Quebec	616,921,585	683,615,011
Ontario—		
Brantford	6,467,926	6,114,702
Fort William	6,789,357	5,560,952
Hamilton	47,291,263	40,676,440
Kingston	5,396,030	3,746,114
Kitchener	7,530,361	7,052,436
London	24,154,339	19,608,793
Ottawa	132,829,275	115,719,757
Peterborough	5,651,584	4,964,989
Toronto	643,961,242	668,203,046
Windsor	21,183,831	18,434,009
Total, Ontario	901,255,208	890,081,238
Prairie Provinces—		
Brandon	3,100,276	3,255,348
Calgary	60,841,894	53,304,023
Edmonton	30,721,602	26,911,184
Lethbridge	5,301,409	4,212,257
Med. Hat	5,585,039	3,928,881
Moose Jaw	8,290,465	6,529,395
Prin. Albert	2,209,947	2,002,763
Regina	21,057,385	18,900,546
Saskatoon	9,715,826	7,924,659
Winnipeg	305,238,494	299,839,799
Branches of the Weyburn Security Bank	1,632,771	1,085,478
Total Prair. Pr'v.	453,695,108	427,894,333
British Columbia—		
New Westmin.	4,311,086	4,219,576
Vancouver	119,369,119	108,491,933
Victoria	24,163,718	18,718,657
Total, Brit. Col.	147,844,003	131,430,166
Grand Total for Canada	2,171,653,377	2,179,587,756
Total Bank Clearings, February		$1,274,132,415
Total Bank Clearings, January		1,387,398,716

Pig Club to Pave Way For a Packing Plant

From Our Own Correspondent.

LETHBRIDGE. — The Lethbridge and District Calf Club now has a companion—a Pig Club. The Board of Trade and Lethbridge Exhibition Board are co-operating in putting over the club. The bacon type of hog will be encouraged, and the children who undertake the feeding of pigs will exhibit their animals at the Exhibition next July. After being judged the pigs will be offered for sale at public auction. Already a flock of boys and girls have applied for membership. Lethbridge interests are pushing the raising of hogs earnestly in the hope that it will lead to the establishment of a packing plant here. Such an industry is one of the next the Board of Trade will seek to attract to the city.

Exchange

During the past five years the fluctuations in exchange rates have been on a scale and of a frequency and unreliability never before experienced, according to the Midland Bank. Before the war practically all the exchanges moved within the well-defined limits set by their respective gold points, and even within these limits certain recurring movements such as the autumnal demand for dollars could be foreseen and prepared for in advance. Now, however, the stiuation is entirely changed. The dollar is looked upon as the common measure of the international valuation of the world's currencies, and in relation to that standard each particular currency undergoes variations of a scope and irregularity unparalleled in pre-war days. Thus when the gold standard was operative dollars could never be dearer than 4.82 to the pound, nor cheaper than 4.89 to the pound. Similarly a Frenchman could never be required to pay more than 25.33 francs for one pound, no an Englishman to accept fewer than 25.12 francs for his sovereign or pound sterling. But under present conditions the New York exchange may move from 4.65 to 4.20 within a few months, while short term fluctuations in the rate may cover as much as two or three cents in a single day. Francs, again, may become four or five per cent. cheaper or dearer in terms of sterling during the few short hours of trading on a particular date.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Mar. 27	2 7-16	2 13-32	1 13-16	1 11-16
Mar. 28	2 7-16	2 7-16	1 3-4	1 11-16
Mar. 29	2 7-16	2 7-16	1 23-32	1 11-16
Mar. 31	2 7-16	2 1-8	——	——
Apr. 1	2 7-32	2	1 25-32	1 3-4
Apr. 2	2 1-8	2 1-16	1 13-16	1 25-32

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Mar. 27	4.30¼	5.45½	4.33
Mar. 28	4.29¾	5.46½	4.33
Mar. 29	4.29⅝	5.46	4.34
Mar. 31	4.29 11-16	5.51	4.37½
Apr. 1	4.30⅛	5.77½	4.50¾
Apr. 2	4.30⅛	5.88½	4.40½

Staff Gossip

W. C. King, accountant at the West End Molsons Bank in St. Thomas for the past four and a half years, left to assume the duties of manager in the branch at Bedford, Que.—The Beacon Herald, Stratford.

* * *

C. H. Carter, manager of the Amherst branch of the Bank of Montreal, has been transferred to Hespeler. Mr. Carter has been stationed in Amherst since 1919.—The Telegraph Journal, St. John.

* * *

An exchange of places between Harry W. Lake, manager of the West End branch of the Molsons Bank at St. Thomas, and E. Riley Young, of the Bridgeburg branch, has been announced, the transfers being made effective forthwith.—The Globe, Toronto.

* * *

F. J. Cosman, manager of the Ashby, Sydney, branch of the Bank of Montreal, has been transferred to the maritime district superintendent's office in Halifax. H. P. Emmersan, formerly of the main office of the bank in Halifax, has assumed the managership of the Ashby, Sydney, branch of the bank.—The Chronicle, Halifax.

DOMINION

The Dominion Bank announce the following staff changes:—

M. E. Roberts, formerly of the inspection department, head office, has been appointed manager at Dufferin St. and Lappin Ave. branch, Toronto. F. R. Cochran, formerly manager at Dufferin St. and Lappin Ave. branch, Toronto, has been appointed manager at Bloor and Bathurst Sts., Toronto, succeeding J. C. Wedd, who has retired after 41 years of service. J. R. Millard, formerly manager at Fairbank, Ont., has been appointed manager at Lindsay, Ont., and is succeeded at Fairbank by G. D. Crowther, formerly acting manager at Long Branch, Ont. F. R. Dickinson, formerly accountant at Toronto branch is now acting manager at Yonge and Hayden Sts., Toronto. Joseph Johnson has been appointed accountant at City Hall branch, Toronto, and A. M. Slatter, accountant at Market branch, Toronto. J. J. Irwin has been appointed acting manager at East Danforth branch, Toronto, and L. W. Wiley goes in a similar capacity to Long Branch, Ont. L. L. Laird, for several years accountant at City Hall branch, Toronto, has been promoted to the inspection department at head office.

A GOOD SYSTEM

Tell yourself this story each morning: Early one morning a darky came into a gent's furnishing store in Chattanooga and said: "Boss, I want to pay a little on that stuff you got for me."

The same afternoon he bounded in again and said he had "a couple more dollars to put down." The merchant remarked, "Business must be pretty good with you, Sam."

Sam responded: "No Boss, I'se just workin' faster."—Forbes Magazine.

KEEP WATCH ON BALANCE SHEET OF THE CUSTOMER

Important Information to be Gained From Percentages

This article is the third and last of a series based on the address of the superintendent of a leading Canadian bank before the Toronto Bankers' Educational Association. It gives the branch manager some valuable hints in regard to analysing the statement of a customer to successfully judge what it means in actual relation to his business. The manager must always remember that the customer is trying to make his position appear in its most favorable light and he must be very careful in weighing statements presented to get their proper value.—J. W. T.

It is advisable for a banker to watch the movement of certain percentages, as shown by his customer's balance sheets in successive years. Very important information may be discovered through watching three of the percentages in particular. The first of these is the percentage of sales to merchandise on hand. A healthy state of affairs is indicated when the sales are large in comparison with the stock of goods on hand; and if from year to year it is evident that a merchant's stock is turning over less frequently, the manager is put on enquiry. The circumstance may mean that the merchandise has increased, due to a gradual accumulation of old unsalable stock, or that the business is suffering from some sort of mismanagement.

Next the percentage of accounts and bills receivable to sales. If last year your customer's balance sheet showed receivables equal to three months' sales, and in this year's balance sheet they are equal to five months' sales, such a tendency would point to bad debts not written off, or slackness in making collections.

And, thirdly attention should be given to the percentage of current liabilities to liquid assets. In regard to this the accepted general rule is that the current liabilities should not, except in a few special cases, exceed 50 per cent. of the liquid assets. If this percentage tends to increase from one year to another, it is not a good sign from a borrowing standpoint, even though profit and loss balance may show some growth.

A type of loan which will sometimes become slow and troublesome, but which banks cannot altogether avoid, is the loan made to a church, a club or some similar organization. In making these loans the old adage should be kept in mind—"What is everbody's business is nobody's business." This may easily apply to the business of providing repayment of your loan. Officers of these organizations change frequently. There is one sound way in which to insure that someone will feel a personal responsibility for seeing that your loan is repaid, and that is to secure the personal endorsement or guarantee of a number of the more prominent members. Loans to churches and clubs are rarely satisfactory on any other basis.

There is an old adage—"Don't throw good money after bad." One of the most difficult decisions which a banker has to make is in those cases where a loan has become tied up or doubtful. It is represented to him that a further small loan, say to pay wages, will enable the borrower to very greatly increase the value and salability of the bank's security. Each case of this sort has its own special features. I will only, speaking very generally, say this,—"If your borrowing customer has got his affairs into a mess, it is unlikely if the same man continues in charge of the business, that further loans will get you and him out of your difficulties."

ADDITION TO FLOUR MILLS

EDMONTON. — Contract has been awarded for the construction of an addition to the mills of the Lake of the Woods Milling Co., at Medicine Hat, to cost $100,000.

Weekly Bank Clearings

(In comparison with same week last year).

Eastern Cities	Mar. 29, 1923	Mar. 27, 1924
Halifax	$ 2,313,924	$ 2,303,379
St. John	2,666,792	2,530,380
Moncton	1,142,683	741,459
Quebec	4,852,488	4,893,529
Sherbrooke	699,684	751,447
Montreal	77,509,232	87,126,974
Ottawa	5,218,548	4,809,723
Kingston	490,193	608,308
Peterborough	637,579	663,522
Toronto	91,144,729	86,723,293
Hamilton	4,978,014	4,096,774
Brantford	777,166	696,078
London	2,423,317	2,542,983
Kitchener	841,953	785,656
Windsor	3,316,693	2,486,984
Total, East	$194,532,795	$201,760,489

Western Cities	Mar. 29, 1923	Mar. 27, 1924
Winnipeg	$ 32,749,491	$ 28,751,725
Brandon	385,860	392,063
Regina	2,654,717	2,565,812
Moose Jaw	890,011	938,179
Saskatoon	1,159,435	1,255,765
Prince Albert	283,118	260,777
Lethbridge	400,739	460,266
Edmonton	3,270,879	3,520,992
Calgary	3,868,972	5,285,329
Medicine Hat	285,381	224,704
New W'minster	529,598	574,192
Vancouver	12,663,473	15,366,258
Victoria	1,684,408	1,688,038
Fort William	598,942	608,839
Total, West	$ 61,425,024	$ 61,892,939
Grand Total	$255,957,819	$263,653,428

READJUSTMENTS IN THE SECOND MORTGAGE RISKS

A Period When Sound Management Means Great Deal

During the development, on a broadening scale during the last few years, in the business of loaning on second mortgages, THE FINANCIAL POST has frequently made the point that the testing-out time for the companies engaged in this business would come with any adjustment in real estate values. In Toronto, after a long period of rising prices, such an adjustment is now taking place, particularly in sections of the city which have developed rapidly in a residential way. This is having its effect, particularly on loans advanced on second mortgages.

The managing head of one of the older second mortgage companies, which has established itself on a comparatively firm footing, points out that at the present time few houses are being sold in Toronto and that about the only business offering is in builders' loans in connection with which great care must be exercised. As the result of this situation some of the more recently organized companies are facing difficulty and in more than one case small companies have been absorbed.

The whole success of the second mortgage business is largely dependent on management. Where there is a keen knowledge of values successful loans may be placed but where this knowledge is lacking the risk is great. Then it is necessary to have a considerable volume of capital in order to secure a volume of business to take care of overhead and other expenses. A million dollars cash has been mentioned as the desirable minimum fund to insure success; the amount for re-investment on such a total is normally around $200,000 annually. One of the difficulties of the second mortgage companies is getting capital in sufficient volume at a price to insure a scale of operations to take care of expenses, build up reasonable reserves and pay the dividends which capital entering this field demands.

The second mortgage company has filled and is filling its place in the community, but in the very nature of things there is an element of risk which should not be overlooked by the investor. There are good profits to be obtained by the well-managed companies with a good volume of capital. Readjustment in realty values should be guarded against as far as possible.

Mixed and Irregular Industrial Conditions

At the opening of the second quarter of 1924, industry presents a mixed and irregular appearance. Despite the uncertainties which abound and the caution which exists, however, the volume of trade in metal markets continues to set high levels in many lines, says Canadian Machinery.

Special interests, such as the car companies, automobile manufacturers, soil pipe founders, and electrical manufacturers, are both getting and looking forward to good business, but the general foundries and machine shops complain of a dearth of new business.

Monthly Bank Clearings

(In comparison with same month last year)

Eastern Cities	March, 1923	March, 1924
Halifax	$ 10,862,566	$ 10,445,837
St. John	11,264,930	10,488,378
Moncton	4,175,308	2,977,724
Sherbrooke	3,449,179	3,223,505
Quebec	20,929,900	22,634,716
Montreal	388,729,604	378,424,960
Ottawa	26,098,127	23,572,937
Kingston	2,324,797	2,405,449
Peterboro'	3,097,080	2,938,919
Toronto	394,899,681	366,697,828
Hamilton	22,827,979	19,318,774
Brantford	3,693,707	3,379,919
London	11,146,451	10,276,708
Kitchener	4,203,783	3,555,818
Windsor	13,530,551	12,014,636
Total, East	$921,233,643	$872,355,908

Western Cities	March, 1923	March, 1924
Fort William	2,843,390	3,086,418
Winnipeg	146,031,829	149,786,207
Brandon	2,030,914	1,900,262
Regina	12,139,928	12,180,348
Moose Jaw	4,080,886	4,134,399
Saskatoon	5,542,192	6,102,671
Prince Albert	1,396,243	1,390,836
Lethbridge	1,973,572	2,069,255
Calgary	18,314,705	26,127,021
Medicine Hat	1,295,361	1,176,733
N. W'minster	2,217,782	2,545,031
Vancouver	56,277,072	64,397,545
Victoria	7,417,482	7,778,435
Total, West	$261,561,358	$282,675,161
Grand Total	$1,182,795,001	$1,155,031,069

Abitibi Power and Paper Company Limited

NOTICE IS HEREBY GIVEN that a Dividend of $1.00 per share has been declared on the Common Stock of the Abitibi Power & Paper Company, Limited, payable the 21st day of April, 1924, to shareholders of record at the close of business April 10th, 1924.

By Order of the Board.

L. R. WILSON,
Secretary.

DIVIDEND NUMBER 122

Hollinger Consolidated Gold Mines, Ltd.

(No Personal Liability)

A DIVIDEND of 1% on the outstanding capital stock of the Company has been declared payable on the 21st day of April, 1924, on which date cheques will be mailed to shareholders of record at the close of business on the 3rd day of April, 1924.

Dated the 27th day of March, 1924.

D. A. DUNLAP,
Treasurer.

Province of Quebec

CITY OF HULL, District of Hull.

OFFICIAL CALL FOR TENDERS

PUBLIC NOTICE IS HEREBY GIVEN that the Council of the City of Hull will receive from now until four o'clock p.m., Monday, the 7th day of April next, at the office of the undersigned, written tenders for the purchase of Debentures of the City of Hull, to the amount of $292,000.00, for the consolidation of the Floating Debt, and issued with coupons attached thereto for the interest; payable said Debentures and interest at the City Treasurer's office in the City of Hull, namely:—

Debentures dated 1st May, 1922

By-Law No. 232

Amount	Denomination	Maturing	Rate	Semi-annual interest
$292,000.00	$1,000.00	1st May, 1947	5½%	1st May, 1st November

Such debentures shall be paid in Hull and delivered in Hull.

An accepted cheque representing one per cent. of the issue must accompany each tender.

All tenders must mention if the price includes or not the accrued interest on the coupons at the time of delivery, from the 1st of May, 1922, they shall be under seal with the indication "Tenders for Debentures" and addressed to "The City Clerk," Hull, Que.

The present issue has received the approval of the Lieutenant-Governor in Council of the Province of Quebec, the 4th day of March, 1924.

The City Council does not bind itself to accept the highest or the lowest or any of the tenders.

Given at the City Hall in the City of Hull, on this 12th day of March, 1924.

H. BOULAY, City Clerk, Hull, Que.

CITY OF OSHAWA, Tenders for Debentures, $533,027.25

Tenders addressed to the undersigned, and marked on the envelope "Tender for Debentures," will be received up till 4.30 p.m., Thursday, April 10th, for the following Debentures:

Purpose	Amount	Rate	Term	Interest Annually	Payable At
Grand Stand	$ 25,000.00	5%	20-yr. Instal.	Dec. 31	Oshawa
Water Tower	50,000.00	5%	20-yr. Instal.	Dec. 31	Oshawa
Water Mains	38,836.41	5%	20-yr. Instal.	Dec. 31	Oshawa
Pavements and Sidewalks	235,551.76	5%	20-yr. Instal.	Dec. 31	Oshawa
Sewers	58,639.08	5%	30-yr. Instal.	Dec. 31	Oshawa
School	125,000.00	5%	20-yr. Instal.	April 1	Oshawa

The legal opinion of E. G. Long, Esq., K.C., of Long & Daly, will be given with the bonds, the cost of which must be borne by the purchaser, and added to price on delivery.

Accrued interest to be added to price on delivery.

Delivery and payment to be made at Oshawa.

The Corporation reserves the right to reject any or all tenders.

P. A. BLACKBURN, City Treasurer.

City of Regina, Saskatchewan

5½% Debentures

$146,390.00

Sealed Tenders endorsed "Tenders for Debentures" addressed to the City Commissioners, will be received up to eleven o'clock A.M., Tuesday, April Fifteenth, 1924, for the purchase of the following Sinking Fund Debentures:

LOCAL IMPROVEMENTS

Plank Walks	$30,800	5	years, Dated May 1, 1924
Concrete Walks	5,500	15	" " " " "
Domestic Sewers	16,200	30	" " " " "
Water Mains	25,190	30	" " " " "
	$77,690		

REFERRED BY-LAWS

Street Railway	$14,700	15	years, Dated May 1, 1924
Water House Connections	14,500	20	" " " " "
Storm Sewer	26,000	30	" " " " "
Sewer House Connections	13,500	30	" " " " "
	$68,700		

The issues under the heading Referred By-Laws are offered subject to the approval of the Burgesses. These By-Laws will be voted on on the 10th of April next.

Alternative bids are requested—

(1st) On the basis of both Principal and Interest payable in New York, Montreal, Toronto or Regina, at holder's option.

(2nd) On the basis of both Principal and Interest payable in Montreal, Toronto or Regina, in Canadian Currency only.

Tenders for the above issue may be for the whole or any part of same.

The Bonds are a direct obligation of the City at large, and are issued in Coupon form with Interest payable semi-annually and Principal at date of maturity.

Provision is made for registration of Principal only.

The right is reserved to reject any or all proposals.

Further information will be furnished upon application to the undersigned.

JOHN E. SNOWBALL, City Treasurer.

TENDER FOR DEBENTURES

SEALED tenders addressed to the undersigned and marked "Tender for Debentures" will be received until 12 o'clock noon, Tuesday, April 8th, 1924, for the purchase of $167,500.00, County of Peel Debentures bearing 5% interest and payable in twenty equal annual instalments as to principal and interest, issued under the authority of By-law No. 621, to pay twenty per cent. cost of construction of Provincial Highways within the said County for the years 1922 and 1923.

L. H. WILLIS,
County Clerk.

Brampton, Ont.

Canadian Pacific Railway Company

Notice to Shareholders

THE Forty-third Annual General Meeting of the Shareholders of this Company for the election of Directors to take the places of the retiring Directors and for the transaction of business generally, will be held on Wednesday, the seventh day of May next, at the principal office of the Company, at Montreal, at Twelve o'clock noon.

The Common Stock Transfer Books will be closed in Montreal, New York and London at 3 p.m. on Tuesday, the eighth day of April. The Preference Stock Books will be closed in London at the same time.

All books will be re-opened on Thursday, the eighth day of May.

By order of the Board,

ERNEST ALEXANDER,
Secretary.

Montreal, March 10th, 1924.

Southern Canada Power Co. Limited

Common Dividend No. 2

A DIVIDEND of One Dollar ($1.00) per share on the NO PAR VALUE COMMON STOCK OF SOUTHERN CANADA POWER COMPANY LIMITED, has been declared payable May 15th, 1924, to shareholders of record April 30th, 1924.

By order of the Board,

L. C. HASKELL,
Secretary-Treasurer.

Montreal, March 28th, 1924.

Village of Richmond Hill

TENDERS will be received by the undersigned up to noon, April 10th, 1924, for the purchase of $95,000.00 of Richmond Hill Serial Bonds. Bonds run for thirty years and bear interest at 5½%. These bonds are for the purpose of building a new High School. Bonds and Interest will be guaranteed by the County of York. Largest or any tender not necessarily accepted.

A. J. HUME,
Clerk.

Richmond Hill, Ont.

Howard Smith Paper Mills Limited

Dividend Notice on Common and Preferred Stock

NOTICE IS HEREBY GIVEN that a dividend of 1½% on the Common Stock (being at the rate of 6% per annum) and a dividend of 2% on the Preferred Stock (being at the rate of 8% per annum) of the HOWARD SMITH PAPER MILLS, Limited, has been declared for the quarter ending the 31st day of March, 1924, payable on the 21st day of April, 1924, to Shareholders of record at the close of business on the 10th day of April, 1924.

By Order of the Board.

HAROLD CRABTREE,
Secretary.

Montreal, March 24th, 1924.

Canadian Industrial Alcohol Co., Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of one and one-half per cent. (1½%) has been declared on the Capital Stock of this Company for the quarter ending 31st March, 1924, payable 7th April, 1924, to shareholders of record at the close of business 31st March, 1924.

By order of the Board.

J. GIBSON LAWRENCE,
Secretary.

THE FINANCIAL POST

Member of the Audit Bureau of Circulations.

President - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - HORACE T. HUNTER
Manager - - - - - - - GORDON RUTLEDGE
Editor - - - - - - - - - J. W. TYSON

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corrections, will be inserted in the news columns unless marked "Advertisement."

Advertising matter which has a tendency to mislead or which does not conform to business integrity, is declined. Acceptances of advertising will not deter the editorial department from making such comments as the situation may suggest.

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The detailed circulation statement we submit is not our own claim, but the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A. B. C. inspection.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

APRIL 4, 1924

Edited for the thinkers of the nation—those people who analyze correctly and draw proper conclusions and who are responsible for the Nation's sound thought on matters political and economic.

CLEAR UP ONTARIO'S BOND SCANDAL

IF THE investigation of public finances in Ontario was started for the purpose of creating political capital it should not be allowed to peter out now that it has served that purpose—perhaps better than those who started it could have hoped. The revelations regarding the Provincial Securities Company, the transactions into which the names of Hon. Peter Smith and Deputy Treasurer Matthews have been drawn and the definite indications of big and easy profits such as those of D. K. Ridout, have started a flood of rumors involving the names of several members of the government and others. If Ontario is not to be given a permanent black eye, the investigation must be carried through until these rumors have been proven or disproven.

The situation now is that the public is willing to believe almost any rumor which may be started as to manipulation of Ontario's finances. The credit of the province will suffer if these rumors are not run to earth. If there has been graft, the grafters should be exposed. The lifting of a corner of the curtain has revealed too much to have it dropped again without a complete exposure of what lies behind. Investigation by the legislature or by a Royal commission should be carried on until the air is cleared and confidence in Ontario's credit restored.

And there must be reasonable assurance that this looseness in the province's finances cannot occur again. The appointment of a competent financial administrator as a permanent commissioner to act under the premier would give such assurance.

GETTING ACQUAINTED WITH INDUSTRY

THE Nova Scotia coal industry is enthusiastic over the action of President Wolvin, of the British Empire Steel Corporation, in inviting the whole legislature of Nova Scotia on a tour of the mines and steel plants of the corporation.

It is a fact that, with three or four exceptions, the members of the Nova Scotia House had never been in a coal mine and knew practically nothing about the actual work of the industry which constitutes a chief source of the revenue they are called upon to administer. It is believed that the experience and first-hand information gained on the Wolvin tour will prove of inestimable benefit to them in dealing with the industrial problems which confront them from time to time.

This idea of making public men acquainted with the private business over which they exercise legislative control is a splendid one. It should have the serious consideration of the Canadian Manufacturers' Association.

STREET CAR SERVICE, PUBLIC AND PRIVATE

ON THE ground that costs of providing transportation have greatly increased and that it is in the interests of the citizens to allow a reasonable street car fare rather than put the company out of business, the London Street Railway has been permitted by legislation to increase its fare to five cents. Further the city council has proposed, in view of the company's financial position, to repave sections between the company's tracks on main streets.

But this spirit of co-operation with a private company in Sir Adam Beck's home town has brought down the ire of the champion of public ownership who gives no quarter in fighting corporations. He has succeeded in bringing about the defeat of the paving proposal and is now working to have the act providing the five cent fare invalidated. He declares that the company has such a favorable franchise that it should do the proposed paving and at the same time would re-establish the old fares of seven and eight tickets for a quarter.

It is interesting to note that, while Sir Adam would force the private corporation in London to provide seven and nine tickets for a quarter, he has an entirely different idea of the value of such service when rendered under public ownership by the Hydro Commission; in Windsor after the Hydro took over the system the fares were advanced to five cents and then to six cents.

STILL TUGGING AT THEIR BOOT-STRAPS

THE failure of hundreds of banks and other evidences of economic ills in the Western States, where many paternalistic schemes to benefit the farmer have been tried, have evidently not yet brought a realization that a permanent cure cannot be effected by legislative palliatives. The latest experiment is the McNary-Haughen Bill by which it is proposed that Congress shall create a body which, with almost unlimited backing in public funds, shall go into the market and, by competitive buying, maintain prices for agricultural products. Any losses sustained are to be paid by the taxpayers of the country who, as consumers, will also pay the high prices which the government competition in the market will create.

The purpose of the bill is to restore prices for farm products to the same relationship to the general price level which they occupied before the war. It provides:

> It is proposed to establish the United States Agricultural Export Commission and the United States Export Corporation with a capital stock of $200,000,000 subscribed by the government and authority to borrow to the extent of $200,000,000 more.
>
> Whenever the Commission finds that a special emergency exists with respect to a basic farm commodity a ratio price is to be determined. The ratio price is to be that price which bears the same ratio to the current commodity index as published by the Bureau of Labor Statistics as the pre-war basis commodity monthly price bears to all commodity prices for that month.
>
> This price being fixed, the Commission will determine what amount of the commodity in question it will purchase at the ratio price during each month, the purpose being to buy a sufficient quantity to maintain a general market price for the commodity at or above the ratio price. The commodity so purchased is to be sold during the period of the emergency in foreign markets at the best price obtainable, or the domestic market at not less than the ratio price. After the emergency has been declared terminated the corporation may sell its surplus in either the foreign or domestic markets at the best price obtainable.
>
> The President is authorized to direct special investigation to determine tariff rates necessary to maintain the ratio prices. The corporation during the existence of an emergency may acquire, operate, and dispose of storage warehouses, and transportation facilities and facilities for processing agricultural commodities, etc.

The real danger in the scheme is that, like so many other attractive economic short cuts, it seems inevitable that, in the long run, it will aggravate the situation which it proposes to cure. The difficulties of the farmers are due to over-production. If the bill establishes false prices for wheat then the farmers will continue to over produce. The same will apply to other commodities similarly treated. A rise in farm products would affect the general price level on which ratio prices are to be based and therefore ratio prices might be raised higher and higher though their own artificial influence. The effect might not be immediately apparent, but within a very few years it is possible that the situation would become so aggravated as to compel additional intervention by the government and an extension of the price-fixing principle and government control in other directions.

JUST A LITTLE MATTER OF $11,800,000

BEING able to find for itself the consoling evidence in the report of the Gregory Commission that charges of irregularities against the Ontario Hydro were "baseless ghost stories," the Stratford Beacon-Herald adds: "And, oh yes, there was a little matter of excess expenditure on the Chippawa development of $11,800,000."

It is this careless attitude toward $11,800,000 trifles in public expenditures that is to-day responsible for tax burdens which business and individuals are finding almost more than they can carry.

Public bodies, secure in a faith in public ownership which assures almost unlimited backing, spend millions with an abandon which cannot be view with anything but apprehension by those who appreciate that no matter what the method of bookkeeping every dollar must inevitably be accounted for either by those who pay directly for the services provided or those who indirectly assume the responsibility as taxpayers.

EDITORIAL NOTES

THE STRIKE of miners in Alberta, which promises to both curtail production and increase the cost thereof, will not help to solve the problem of supplying Eastern needs with Western coal.

* * * *

THE Winnipeg Tribune declares that Western railways "were constructed to enable the East to develop the country as its own trade territory." Does it seem reasonable, then, that the East would design a tariff policy which would discourage the one industry which can insure the development of that country?

* * * *

IN CONNECTION with the many bank failures in the Western United States, the point is now being made that the difficulties of many of the institutions are due to loyalty and a commendable desire to help their customers in a period of distress. In a word, the banks loaned where loans were not justified and they have lost their money—and this without conferring any real benefit upon the borrowers.

* * * *

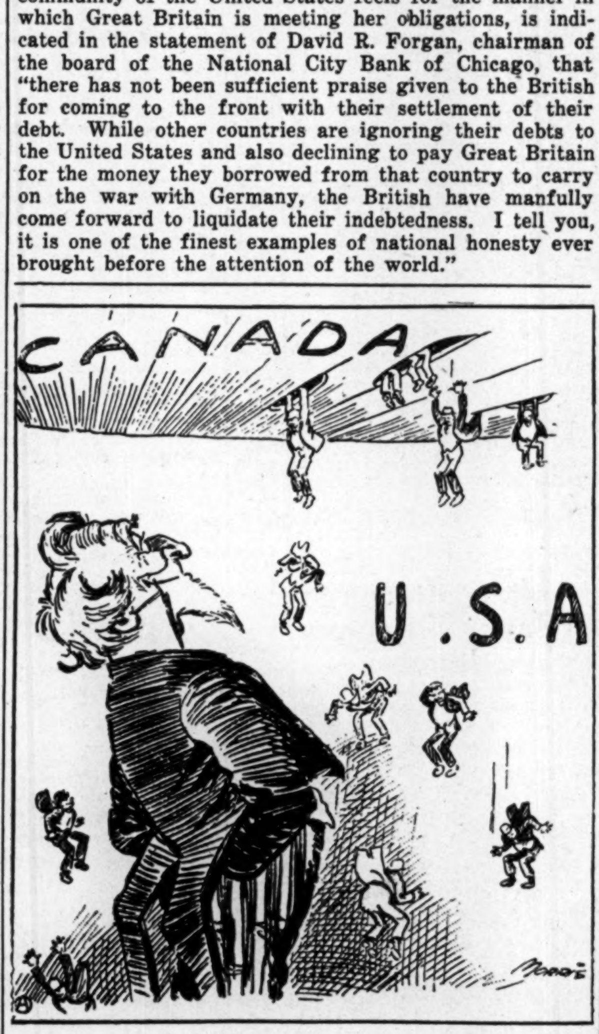
ALTHOUGH, as the Hamilton Herald points out, it can be safely assumed that the Hydro radial project in Ontario is dead, there is a legacy of debt of about $1,600,000 which must be settled somehow; the Herald adds that, "even if we regard the situation optimistically, we cannot escape the conclusion that Hamilton will be required to pay a considerable sum as its share of the cost of the radial enterprise."

* * * *

AN ACT to take care of a floating debt of $25,000, created largely by reason of certain industries which had been bonused failing to meet their obligations, and by reason of yearly deficit on current accounts which should have been paid out of taxes at Goderich, has been recommended to the Ontario legislature by the Railway and Municipal Board. This should add strength to the government's anti-bonusing proposal.

* * * *

THE admiration which the financial and business community of the United States feels for the manner in which Great Britain is meeting her obligations, is indicated in the statement of David R. Forgan, chairman of the board of the National City Bank of Chicago, that "there has not been sufficient praise given to the British for coming to the front with their settlement of their debt. While other countries are ignoring their debts to the United States and also declining to pay Great Britain for the money they borrowed from that country to carry on the war with Germany, the British have manfully come forward to liquidate their indebtedness. I tell you, it is one of the finest examples of national honesty ever brought before the attention of the world."



AN AMERICAN VIEW OF IT

Uncle Sam: "It's a pleasure to see something besides booze dropping in from Canada."

—Morris for the George Matthew Adams Service.

Built for Winnipeg Its First Street Car System

Albert W. Austin's Cars Were Hauled by Horses Over a Bed of Wooden Ties—He Introduced the Fare Box—Mackenzie Later Got Electric Franchise—Head of Consumers' Gas Does Not Believe in Booms

By AUSTIN R. CAMPBELL.

"Never let yourself be carried away by boom talk."

That is the motto, or moral, that has actuated and guided the business life of Albert W. Austin, who, in his early days, built and operated the first "street cars" in Winnipeg, and who is now president of the Consumers' Gas Company of Toronto, and vice-president of the Dominion Bank In other words, there is nothing spectacular about Mr. Austin's business methods. There never has been, unless, perhaps, it was in those early days in Winnipeg. But one suspects that even then he went about his affairs in the same conservative, careful manner, that has earned him the position of responsibility and trust he now enjoys.

ALBERT W. AUSTIN

To resist the temptation to plunge into the boom that hit the Northwest in the early 80's, must have required no little fortitude and self-control in a young man who had gone West avowedly for the purpose of winning a fortune. Reason, caution and judgment, were thrown to the winds by the great majority. Speculation was rampant. And then the reaction. Austin never forgot the lesson; it afforded him ocular and financial proof of the soundness of his early reasoning.

Born in Toronto in 1857, and son of the late James Austin one of the original founders of the Dominion Bank, young Austin spent three years in that financial institution. The wholesale grocery business of Frank Smith and Co claimed his time for the next five years, and, he thought, was to claim his business time for the rest of his life. He was mistaken in this idea but, nevertheless, it was his desire to start a wholesale grocery business in Winnipeg, that led the young man to move to that city in 1880 That he never sold a pound of groceries, or tried to, is merely an example of the well-known fact that sometimes fate knows what we are fitted for better than we know ourselves.

In those days the road to Winnipeg was via St. Paul and Minneapolis, to Emerson, Manitoba, thence by wagon river or foot, to the thriving young Western city of ten thousand people Austin looked over the prospects for grocery trade, but Main Street's one hundred and thirty-two foot empty roadway drove the idea of foodstuffs out of his mind and fairly shrieked "Street Cars" at him.

Early Day Street Problems

The young man's capital never went into prunes, pickles, and other such perishable produce. The financial assistance of a few friends was secured, and when the first C. P. R train, with its old wood-burning engine "Lord Dufferin," pulled into Winnipeg, the passengers exchanged to the cars of the Winnipeg Street Railway. Yes, horse cars: funny little things; almost "Pre-Toonerville." but they ran, and were the forerunners of greater things.

At that time the pavement of Main Street consisted of prairie mud—a useful material judged in terms of agriculture, but too affectionately clinging to make an efficient road surface. The advent of Austin's horse car line, with its solid bed of wooden ties laid close together, was, accordingly, a Godsend, especially to the fire department. It, therefore, became an accepted custom, that, upon the sounding of an alarm, the horse-drawn street cars would, accommodatingly, shunt themselves off onto switches in order that the fire engine might use the street car right-of-way to the scene of trouble. This was a service offered gratis to the city even though it did wear out the car tracks. But stern steps had to be taken when the ox carts, and other vehicles, mud-coated from the country, also used this path, and so cluttered it up that it was a not infrequent sight to see the street cars stuck and immovable, their wheels clogged with mud, and the passengers called upon to assist the horse The expression "Stuck in the mud" has always had a particular significance for the citizens of Winnipeg.

It was in those days that the young industrial infant electricity was beginning to grow. The telephone was new and the telegraph had hardly ceased to be a thing of wonder. Austin recognized that electricity was the new source of energy, and he believed that it was destined to become the ultimate motive power for civic transportation. Accordingly, he applied to the city council to amend the street railway charter so as to permit the operation of "trolley cars." Then there was trouble! "Overhead wires, charged with electricity? Horrors!" The council sat up nights worrying over the proposed city menace. A horse had been killed on the Minneapolis Electric Railway—citizens might be killed in Winnipeg The people would live in terror of the mysterious current. The thing must not be. The council was adamant; the amendment was refused.

Doubts of Electricity

But Austin would not give up the fight; he decided to prove his belief. Across the river was the suburb of Fort Rouge; being beyond the jurisdiction of Winnipeg's doubting council, Austin secured permission to construct a trolley line car service there. But as population was thin something had to be done to build up traffic. The line was built and its terminal directed to a spot on the river bank where a large park was laid out. Saturday and holiday crowds were quick to avail themselves of this playground, and thus, from being a sparsely settled district, Fort Rouge became the beauty spot of the city. But what was more important, the economic and scientific value of trolley cars was entirely demontsrated, as well as their safety-first principles. The youth of the city cheered the new system, and older people forgot their fears, but the council clung to their doubts, and horse cars still trundled along Main Street.

Having proved his point, Austin naturally believed that the electrification of the city lines would be his next task. Alas! he was destined to learn something of the vagaries of city councils.

Mackenzie Gets Busy

A hot argument of storage batteries vs. trolleys ensued, and while the council wrangled and experts figured, James Ross, of Montreal, and Wm. Mackenzie, of Toronto, dropped into town. For these men to see, was to want; the operating advantages of the trolley over the horse were obvious; they conceived the idea of controlling a series of street railways in all the important cities of Canada. They applied to the council for a separate charter.

Wondrous are the ways of city councils! Whether the organizing genius of Mackenzie, or the influence of Ross, or some other thing, exceeded the force of Austin's application, matters not now. The fact is that the self-same council that refused to amend Austin's charter granted a second charter to the new interests. The thing amounted to business decapitation for Austin's company—naturally they objected. The objection was taken through the courts to the Privy Council, in England, which judical body decided, in effect, that the Winnipeg council might charter as many street railways as in its Western wisdom seemed fit, and as the width of muddy Main Street could accommodate.

In the meantime the electric system had been installed by Mackenzie and his associates, and was in operation. An interesting comment by the way, on the character of Mackenzie who did not hesitate to build the line despite the fact that the decision of the Privy Council might conceivably dispossess him—but then—that was Mackenzie. Thus, for a time, Winnipeg enjoyed the questionable advantage of competing street car lines on her thoroughfares. There were four tracks on Main Street; two for horses and between these, two for trolley cars.

Electricity Wins Out

Apart from the law as handed down by the Privy Council the result was obvious. Flesh horse power could not compete with electric horse power. Austin sold out and returned to Toronto. His adventure in civic transportation was hardly a financial success, but perhaps the result was nature's way of getting even with the young man for deserting the wholesale grocery business. However, that may be, to Mr. Austin goes the credit for having built and operated the first trolley car railway in Canada But whatever he may have lost or suffered in this regard, Austin returned to Ontario with the firm conviction that booms are dangerous things, and rather inclined to bite or back-fire when least expected, and that the ways of city councils are beyond the understanding of mere business men.

Yet, whenever Mr. Austin drops a ticket in the fare box of Toronto's new car system, he has the satisfaction of knowing that this modern method of collecting fares is also one of his innovations. Before leaving Winnipeg he had adopted the system there, though not without some opposition. The conductors protested. They claimed that the thing was a slight on their honesty, an insult to their professional integrity, and a discourtesy to the public; in fact, it was no good, and they refused to use it, arguing that they could not be so ungallant as to poke the offensive contraption under a lady's nose. These grievances were aired to their chief, who proved that despite the much vaunted integrity of the men there were far too many defalcations under the old system of cash in the conductor's hands. To establish this point a careful check up was undergone, which showed that one conductor had been sufficiently apt in balancing the cash in his pouch to possess stock in the Pullman Company, and an orange grove in California. These luxuries, being admittedly beyond the normal income of a street car conductor in those days, if not in these, impressed the men with the need for the new device, and the "Coffee Box" became established on the horse cars in that Western city, from which it has spread to every metropolitan centre on the continent.

The "Barley King"

While civic transportation had proved thus unsatisfactory as a life's work, Austin did achieve financial success as a dealer in barley. In fact he enjoyed the title of "Barley King" of the West in those days when the superlative grade of Canadian barley was much sought after by the brewing interests of St. Louis. Many carloads of "Six Rowed" Pearl were shipped south, to be duly converted into the beverage that "Made Milwaukee jealous," and but for the eighteenth amendment, and the fact that substitutes were invented, this profitable trade might even now be continuing. So, despite the vagaries of the Winnipeg council, Mr. Austin returned to Ontario, not only wiser in business knowledge, but richer in purse, to take up the affairs of the Dominion Bank and the Gas Company.

The success of any one industry is rarely attributable to any one man. Thus, while Mr .Austin sits as president of the Consumers Gas Co., and takes a commendable pride in the success of that thoroughly successful public utility, he is first to acknowledge due credit to the company's early founders and its later operators. The long record of regular dividends and the ever welcome reductions in price that are announced from time to time are tributes not only to the men that are at present in charge, but also those whose sound wisdom established the company and laid down its fiscal policy. These facts are too well-known to require repetition, but the fact that the Consumers' Gas Co. manufactures and distributes gas in Toronto at a price less than that charged by companies in the States, who are closer to the coal fields, is a triumph that is not so well known or appreciated.

Conservatism in Gas

Mr Austin attributes this performance to the sound basis of the original financing and the absence of watered stock. In view of the fact that the company's securities are classed as "Trust Fund Investments," the method of the original organization may well be taken as a model by some ambitious modern financiers who seem to think that wealth and success are secured by issuing blocks of stock in exchange for "Patent Rights," "Goodwill," or other indefinite and undefinable assets.

U.S. Report Finds C.N.R. Not Out of Politics

From Our Own Correspondent.

MONTREAL.—An interesting and independent comment on the operations of the Canadian National Railways is found in the report of the committee on public ownership and operation to the National Association of Railway and Utility Commissioners. The report indicates a feeling that it has already been found impossible in Canada to completely divorce politics from the operation of the Canadian National Railways, and it cites the instance of the hubbub in parliament over the purchase of a location for one of the offices—probably the Paris transaction.

The report says of the C. N. R.:

> "The Canadian National railways have recently been placed in the hands of a national board, of which Sir Henry Thornton is president. The deficit for the last two years is placed at $132,000,000. The further results of the experiment will be watched with great interest. While promise of co-operation by the public has been offered the board, its political troubles have already begun. A recent incident illustrates the interference to which government-owned utilities are subject. The board acquired property for an office. Immediately agitation was begun in parliament to require detailed statements of the transaction before the board should be allowed to consummate it. Examples of this nature are most frequent in any governmental operation of utilities. The Canadian National has one advantage over most government-owned railways in that its board stimulates more nearly the organization of a private property unhampered by bureaucracy, and yet parliament was unable to limit its interest in the conduct of the properties to that shown by the stockholders of the average private company."

Ontario Road Type Adopted in States

So impressed have been American tourists and highway officials who, during the past two years, have motored over the Dundas highway, through Cooksville from Toronto to Hamilton, Ontario, with the excellence of this celebrated motor road that they have carried back to their homes stories of its quality and have prevailed upon their highway departments to adopt its type of construction. Numerous American highway engineers, too, have inspected this Canadian road for the purpose of studying the behavior of its pavement and with a view to adopting the type for use in their own localities.

SIR JOSEPH AT REGINA

In the reproduction on this page two weeks ago of the address of Sir Joseph Flavelle at Regina, there was some confusion in the typographical make-up with regard to several quotations used. The first and second paragraphs were transposed. The quotation which is given as Barrie's should have appeared at the end of the succeeding paragraph and been credited to Lord Rosebery, while the quotation which did appear as Lord Rosebery's should have appeared still further down as a quotation from the sayings of "Sam Slick, the Clockmaker."

$1,471,200

Howard Smith Paper Mills

n :ed

(*Incorporated under Letters Patent of the Dominion of Canada*)

7% First Refunding Mortgage Sinking Fund Gold Bonds

Dated January 2nd, 1921. *Due January 2nd, 1941.*

Principal and half-yearly interest (January 2nd and July 2nd) payable at the Royal Bank of Canada, Montreal, or Toronto, in Canadian gold coin, or at the office of Aldred & Company, New York City, in United States gold coin. Coupon Bonds of $1,000, $500 and $100 denominations, with privilege of registration as to principal only.

Redeemable in whole or in part on any interest date at the option of the Company on 30 days' notice, at 105 and accrued interest.

Trustee: Montreal Trust Company, Montreal.

ASSETS

(*After completion of present financing*)

*Fixed Assets of the Company	$ 9,293,412
Net Current Assets	1,258,460
Total Assets	$10,551,872

Or over twice the amount of bonds outstanding, including this issue.

**Based upon valuations by qualified engineers these assets have a value substantially in excess of this amount.*

The Trust Deed provides that the Company shall maintain its Working Capital at not less than $1,200,000 at any time during the year 1924, and shall increase such Working Capital by an amount of $50,000 each year until 1930, when it will amount to $1,500,000, at which sum it will be maintained thereafter, and, further, that the Current Assets shall be maintained at not less than 150% of the Current Liabilities at any time.

EARNINGS

Net Annual Earnings from operations for the past five years have averaged	$762,486
Net Earnings from operations for the year ended December 31st, 1923, were	772,807

Or about 2½ times the interest requirements on all Bonds outstanding.

PRICE: 98 AND INTEREST, YIELDING 7.20%

Full descriptive circular gladly sent on request.

The Bonds are ready for immediate delivery. All legal details in connection with this issue are subject to approval by Messrs. Lafleur, MacDougall, MacFarlane & Barclay, Montreal.

ALDRED & CO. LIMITED **A. E. AMES & CO.**

GREENSHIELDS & CO. **HANSON BROS.**

R. A. DALY & CO.

The statements contained herein are based upon information which we believe to be reliable, although we cannot guarantee their accuracy.

INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

FAMOUS PLAYERS

H. S. H., Nova Scotia.—I have been offered Famous Players preferred shares with 50 per cent. bonus of common at $71. Do you consider this a good buy and a fairly safe investment at that price?

Like most moving picture and theatrical enterprises, Famous Players is quite speculative. It is being traded in at prices ranging considerably below $71, on the same basis as offered to you, in unlisted security circles.

WABIGOON-CONTACT MINES

Better Business Bureau, New York City.—Can you give any information on Wabigoon-Contact Bay Gold Mines?

The prospectus of Wabigoon-Contact mines contains some exaggerations such as: "Coming Big Gold Mine of Ontario is The Wabigoon," and "A banking gold Mining Proposition; A big gold mine of exceptional value and vast possibilities." We note also that they figure the value of ore in place without having it at least blocked out on three sides. They may have rich gold showings. Years ago there was active development in north-western Ontario. Veins were narrow and rich and never very extensive. An effort is now being made to revive operations. The assay values shown in the prospects are typical of the section.

BELL TELEPHONE

J. M., New Brunswick.—I hold 90 shares of Bell Telephone. Would it be wise to sell at say 132, and reinvest in Bank of Commerce at 184? I bought at 109.

We would not recommend you to sell Bell Telephone stock around present prices. You have a very substantial profit on your investment to date, but in view of the big program of extensions ahead of Bell Telephone during the the next five years, it is quite likely that shareholders will from time to time be offered further rights for subscription to stocks, and in view of this possibility the stock is not selling at any too high a price. The security is excellent and the dividend returns satisfactory, and Bell Telephone is as satisfactory an investment to own at the present time as any.

NORTHERN CANADA EXPLORATION

Rural Reader.—I own a share in a mining property. Northern Canada Exploration wants to buy it for stock. They want the stock pooled for two years. I do not favor that. Would like to have the shares to sell when so inclined. What is the standing of the company? Would we get a run for our money?

Northern Canada Exploration and Development is a concern purchasing claims in exchange for stock. It may do some development work but the main plan is to turn them over at a profit. Pooling is for the purpose of controlling the market for shares while financing. The officers of the company are Dr. G. Webster, Carthage, N.Y.; Geo. Maidens, Kirkland Lake; R. E. Swinnerton, Toronto; S. M. Bauersmith, Pittsburg; R. E. Stoddard, Carthage, N.Y.

VICTORIA FINANCE OFFERING

Reader, Picton.—What is your opinion of securities of American Gas Improvement, of New York City, which are being sold here by Victoria Finance Corp., Trusts and Guarantee Bldg., Toronto?

American Gas Improvement is a U. S. concern and while we do not make it a practice of answering inquiries about U. S. companies, we happen to have some data which came to us from what we regard as a reliable source. The company claims to own Van Steeburg process of making gas. It is being demonstrated in the village of Suffern, N.Y., merits unknown. The name of the company indicates a play on the famous name of United Gas Development of Philadelphia. The stock is without a market. The concern is still in development stage. It may work out but the mortality rate for such companies is high.

NIPISSING

M. S., Soo, Ont.—Do you consider Nipissing Mine a safe investment? I have Victory bonds and was thinking of selling them and buying Nipissing at $6.50. Is the mine liable to run out of paying ore in the near future? If so, have they got other properties to fall back on?

Nipissing silver mines are a speculative investment. In switching from Victory Bonds to the mine shares you will be increasing your risk, as the differences in the return on the investment would indicate. A couple of years ago, Pres. Earle of Nipissing told shareholders that from that time on it was to be expected that the property would decline. In other words, the company had seen its best days in so far as the old property was concerned. Latest returns, however, show earnings being well maintained over and above the dividend requirements. The latter are three per cent. quarterly with two bonus dividends of three per cent, or 18 per cent. yearly. Payments used to be on a basis of 30 per cent. The company has a treasury of over $4,500,000. It recently acquired a 200-acre claim in Rouyn, Que., and later staked a number of claims in South Lorrain. No statement as to plans for the development of these properties has been made.

HOWARD SMITH PAPER

Investor, New Brunswick.—I hold 100 shares each of Howard Smith common and preferred. I wish to hold these if wise to do so, and would value your opinion of the company's position. In their yearly report I noticed something to the effect that their liquid position was not as good as last year.

You would probably be safe in holding your Howard Smith common and preferred stock. The company is working into a better position and has been rounding out its plans during the past two or three years by expenditures of more than two million dollars on plant and equipment. All of this work will have a tendency to reduce costs, to enlarge production and to generally promote efficiency. While the company's reports during the past couple of years have not been as constructive as the investor might have looked for, they have reflected operations in a period of large capital expenditures and have not been demonstrations of the company's actual earning power under its present conditions.

The report does show a very weak position as regards working capital, but it is largely because expenditures that have been made have not been capitalized by the issue of bonds. It is planned to issue about three-quarters of a million dollars of bonds and this will give the company a better liquid position.

ROUYN GOLD MINES

Financial House, Revelstoke.—A client of ours asked us to get your opinion on Rouyn Gold Mines.

Rouyn Gold mines are located in the new mining camp in Rouyn, Quebec. Some half dozen concerns are doing some work in the camp, and showings are reported as being promising. Properties in a camp yet to be proven are highly speculative from the investment standpoint.

MERCURY MILLS RECORD

Investor, Bassano.—I own some bonds of the Mercury Mills, Ltd., Hamilton, and would like to have your opinion of them and of the present condition of the company. Would also like to know why it is that mention is so seldom made of this company or its bonds in THE POST or other publications.

Mercury Mills, Ltd., operates an up-to-date plant for the manufacture of knitted goods at Hamilton, Ontario. The business was organized a number of years ago, and has enjoyed steady progress and success since that time. The first mortgage bonds are well secured by assets, and the earnings of the company provide a wide margin of safety for the interest on the bonds. They are highly regarded by financial authorities, and the present market price is from 98 to 100. As the company purchases these bonds from time to time for the sinking fund the market is likely to remain better than would otherwise be the case. While the market on any issue of industrial bonds such as these is not as wide as on government bonds. this issue stands very high.

As the stock of this company is held closely and it has not as large an amount of security outstanding as some other large companies in Canada, there is naturally less news in the press regarding its operations.

INSURANCE COMPANIES SAFE

Banker, Mount Forest.—As a subscriber to your valued paper,. I would thank you to send me a report on the following insurance companies: National Ben Franklin, N. W. National, China Fire. Are they in good standing and considered safe to insure with?

The National Ben Franklin Insurance Company has its head office at Pittsburgh, Pa., and has been operating in Canada under a Dominion license since 1914. The company maintains the necessary government deposits and assets in Canada, and at the close of 1923 the company, as a whole, had a surplus over all liabilities of $1.452.589. It is well managed by capable insurance officials, and should prove satisfactory to carry insurance.

The Northwestern National Fire Insurance Company has been operating in Canada since 1912. The total admitted assets in Canada at the close of 1922 was $471.384. and the liabilities $271.283. The total assets of the company as a whole were $10.772,195. and a surplus over all liabilities and capital stock was $2.502.840. The company's financial position is sound, and the management conservative. In view of these facts it is safe to insure with.

The China Fire Insurance Company does a very limited business in Canada, but the company itself is large, well established and conservatively managed. Formerly, the company operated under a Dominion license granted in 1919, but has since withdrawn from Canada, and any business done in this country is being done from the general agency in the United States. As it is not now licensed you would be better to select some other company which has either a provincial or Dominion license.

CANADIAN KIRKLAND

Shareholder, Lakeside.—What is your opinion of Canadian Kirkland? Has it a chance of becoming a producer?

R. R. No. 6, St. Marys.—What do you think of Canadian Kirkland as an investment? Is the management good? What is the new financing plan?

This company has a well-located 260 acres on what seems to be the southerly edge of the main ore zone of Kirkland Lake camp. The contention has been set up by engineers that there has been a severe faulting of the western extension of this zone to the south and that the Canadain Kirkland has an excellent chance of picking up this faulted section. Sufficient for the present is the fact that development to date has revealed encouraging conditions which, with the expenditure of a reasonable sum, gives promise of developing into good ore shoot. The company also holds 160 acres in the northern section of the camp, well regarded by many engineers. Canadian Kirkland is capitalized at $3,500,000. To date $125,000 has been spent on the main property and a less amount on the northern holding. Besides each property has good plants. The method of financing recently adopted is the collateral trust note plan. Stock is sold at par and a note payable in 10 years is given. Part of the funds raised are deposited with the trust company and these funds invested to the end that in the 10-year period they will provide sufficient to pay back the full amount raised. The provincial law is quite strict in its regulations, as to how such funds are invested by the trust company, to the end that these funds be surrounded by every safeguard. Canadian Kirkland is to be regarded as a speculation of merit. The operation is in the hands of men who will ensure the shareholders a run for their money.

CURRENT OPINION

A FALSE IMPRESSION

(Hardware and Metal)

The Appellate Division Court sitting at St. Catharines has reserved decision in the appeal of the Townships of Thorold and Pelham against the ruling of the Ontario Railway and Municipal Board declaring the lands of the Hydro Power Commission free from assessment.. This is a fight which has been waged since the Hydro took over the property of the Toronto-Niagara Power Company whose lands were assessed. It is very doubtful if any good purpose is served by freeing public owner property from assessment such as is done in the case of the Hydro Electric Power Commission. A false impression is conveyed in financial statements which do not take into consideration taxation which private concerns, often competitive, must include. It is argued that a public owned concern paying taxes simply amounts to taking the public's money out of one pocket and putting it into another. The same might be argued as applying to certain expenditures made by a private corporation, but the entries are made and the financial statement takes them into account. Only in that way is there made possible an intelligent understanding of what the business is doing. Public owned concerns should be put on the same business-like basis, especially where they are competing with private concerns which must pay such taxes as is the case with Hydro retail stores.

MANITOBA BUTTER FOR WORLD

WINNIPEG.—Out of a total production of 10,730,150 pounds of creamery butter in 1923, Manitoba exported 3,863,264 pounds, valued at $1,513,169. Shipments were made to Great Britain, New York, Chicago and Montreal. In addition about 200,000 pounds of butter fat were shipped to the United States.

Dominion Steel or Steamships

A. M., London.—I have 275 shares of common stock in Dominion Steel Corporation. I have not yet exchanged this for second preferred and common stock in the British Empire Steel Corporation. I might say that I have been interested in the Dominion Steel securities for the last twenty-two years but up to the present they have not been able to make the showing that was anticipated, and it would appear doubtful if the second preferred shares of the British Empire Steel would be on a dividend paying basis for some years to come. Any information you can give me regarding this company would be appreciated. I am thinking of selling my Dominion Steel Corporation common shares and purchasing Canada Steamship preferred, with the proceeds. I already have 200 shares of Canada Steamship preferred, and think that this company will shortly be on a dividend paying basis, as the recent annual statement seems rather encouraging. Do you think that the proposed change would be wise?

Dominion Steel common has little prospect for dividends for some years to come. Its prospects are bound up with the future of British Empire Steel. But the present market price of Dominion Steel—as represented by the equivalent amount of Besco second preferred and common is very low. To make the exchange you suggest would involve your selling your Steel stock at what might later prove to be a sacrifice price in order to buy a security that has but speculative attractions now. To give you definite advice would require a more confident opinion on the future of British Empire Steel stocks than we are prepared to express at the present time.

The outlook for dividends for Canada Steamships preferred is, as you say, encouraging. The company has made a great deal of progress to the stage where such dividends would be justifiable, but there is no assurance of dividends during the present year. In any event the preferred stock around present levels offers speculative attractions. The point you have to answer is whether Canada Steamships preferred or British Empire steel second preferred offers the best speculative opportunity at the present time. For early stock market action Steamers preferred probably has the edge because there are fewer holders awaiting any rise in the market to get out of their holdings.

ASC

Bond Buyers Choose Corporation Issues

In view of the present cost of living, average investors are seeking higher interest yields than can be obtained from Government and Municipal Bonds at current prices.

Many of them are turning to high grade Corporation Bonds which may still be purchased to yield 6.50% to 7%.

May we send you a selection of such Bonds? If so, write—

Royal Securities CORPORATION LIMITED

164 St. James Street
MONTREAL
Toronto Halifax St. John
Winnipeg Vancouver

NEW ISSUE

Howard Smith Paper Mills

7% 1st Refg. Mtge. Sinkg. Fund Gold Bonds

Due Jan. 2, 1941. Payable in U.S. or Canadian Funds

This Company is engaged in one of the oldest of all industries, the making of fine writing and book papers.

It is the leading factor in an industry for which Canada has striking advantages in low cost wood and power, and in a branch of the industry in which there has been no over-expansion.

Canada is not yet making enough fine papers to supply its own market. Export trade, growing steadily, has large potentialities. Stability in earning power has been characteristic of this Company.

Price: 98 and interest, yielding 7.20%

Full particulars on request

Greenshields & Co

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We have just prepared a new Bond List offering an interesting selection of Unsold Balances and "Odd Amount" Bonds at very desirable prices.

Write for a copy.

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April Bond List

The last Dominion and Provincial issues have now been almost completely absorbed and indications point to the fact that in the event of the usual heavy spring buying taking place, a scarcity of high grade securities is certain to occur.

We recommend the wide range of bonds described in our April Bond List, and suggest that they are worthy of your immediate consideration.

We would be pleased to forward a copy upon request

Gairdner, Clarke & Co.

312 Bay Street
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Dominion Express Bldg.
Montreal

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21 JORDAN STREET - TORONTO

A WELL-SECURED BOND

6½% AVON RIVER POWER COMPANY
First Mortgage, 30-Year Sinking Fund Gold Bonds.

No bonus shares were issued to anyone and further issues of bonds can only be made on a strict basis of surplus earnings, percentage of cost and when sanctioned by the Public Utility Commissioners of Nova Scotia.

Ask for Descriptive Circular

JOHNSTON AND WARD
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NEWS AND VIEWS ABOUT BONDS

INDUSTRIAL BONDS WERE FEATURE OF SECURITY MARKET

Money is Plentiful and Municipal Prices Remain Unchanged

Reports of a good reception to industrial issues, including $1,471,200 of Howard Smith Paper Mills bonds and an issue of Toronto Carpet bonds which are being offered to investors this week, are taken as an indication that investors are ready to absorb more bonds of this type. The heavy government and municipal financing last year served to focus attention on that type of bond and industrials have been largely neglected since the fall months. The absence of any marked improvement in the industrial situation, however, gives no reason for expecting many issues to be placed on the market. A number of well known Toronto and Montreal bond houses are offering the Howard Smith issue at 98 to yield 7.20 per cent. The bonds are part of an authorized issue of $7,000,000.

The only large issue sold during the week was $5,236,000 five per cent. serial bonds of the city of Toronto. The bonds are payable in Toronto or London, Eng. By-laws passed in several municipalities provided for future financing, and some of this is expected shortly. The city of Oshawa will sell $533,027.25 of five per cent. twenty and thirty year bonds, and the Three Rivers harbor commissioners have authorized the sale of a $200,000 issue.

Prices have shown little tendency to change for the present, the various Dominion issues holding closely to former levels from day to day. With few big issues on the market and plenty of money for investment, it is felt that prices are likely to hold firm for some months. Dealers point out that bank loans are contracted and will scarcely show any substantial change at present, the result being that the bankers are buying bonds. Any improvement in general business conditions would, they agree, bring some of the bank bond holdings on the market with a tendency to depress prices.

Award Niagara Bonds

An issue of $50,000 5¼ per cent. 20-instalment Niagara Falls bonds was awarded to Matthews & Co., at 100.364 during the week. The tenders were:

Matthews & Co.	100.364
C. H. Burgess & Co.	99.86
Wood, Gundy & Co.	99.79
Macneill, Graham & Co.	99.78
Gairdner, Clarke & Co.	99.63
W. C. Brent & Co.	99.61
McLeod, Young, Weir & Co.	99.57
A. E. Ames & Co.	99.38

The Royal Financial Corporation purchased $250,000 of 5½ per cent. bonds of Burnaby, B.C., maturing December 31, 1929.

Public Kept in Dark For Long Time on Scribe Deal

From Our Own Correspondent.

MONTREAL.—Only recently has the information concerning the manner of the purchase of the Hotel Scribe come out. For a long time the public was led to believe that the government of Canada was not being committed to any outlay for the property: that a syndicate had been formed that would acquire the property and lease it to the Canadian National Railways. These plans were dropped long ago, but until the government introduced a vote in the House of Commons to pay for the property the public was not aware of the change in plans.

Hon. James Robb has explained the reasons for the change as follows:

London capitalists offered to advance the money up to £700,000, but conditions found to exist in Paris, causing delay and a heavy depreciation in British currency, rendered it advisable to abandon this method of financing. A company, incorporated under the laws of France, holds the property, and the stock of the company is held by the Canadian Northern Realties, controlled by the Canadian National Railway Company.

It is understood that the syndicate was originally formed by Arnold Aronivici, whom Sir Henry Thornton picked as his European agent. Aronovici was a Roumanian adventurer. Some time ago it was reported that Thornton had had a falling out with Aronovici and had fired him.

Annuities Show Big Increase Last Year

Dominion government annuity contracts issued for the year ending March 31, 1924, showed an increase of twenty per cent. over the previous year. The increase in amounts received exceeded forty per cent.

The total contracts in force up to the end of March were 5,486, which includes 1,534 immediate and 3,952 deferred annuities. The value of these annuities exceeds $1,500,000, and the total amount of purchase money received is over $8,127,000.

The distribution of the annuitants by provinces is interesting. Ontario leads with 3,017, Quebec is second with 1,093. The others provinces show: British Columbia, 552; New Brunswick, 328; Nova Scotia, 327; Alberta, 226; Manitoba, 208; Saskatchewan, 167; Yukon, 21; Prince Edward Island, 20.

The annuity form of providing for old age has been popular in England for many years. In Canada little attention has been paid to it by the insurance companies, consequently the amount of business done under Dominion government plan was comparatively small, until an intensive advertising campaign was started last year.

March Bond Sales

Bond sales during the month of March amounted to $15,938,712. Of the total, $9,938,712 was raised in Canada and $6,000,000 in the United States. Sales for the first three months of the year amounted to $116,778,890. The record is as follows:

Municipal	$ 2,217,712
Provincial	8,500,000
Corporation	5,221,000
Total for March	$15,938,712
Where Sold	
In Canada—	
Municipal	$ 2,217,712
Provincial	2,500,000
Corporation	5,221,000
	$ 9,938,712
In United States—	
Provincial	†$ 6,000,000
Year to Date	
January	x$80,345,915
February	20,485,263
March	15,938,712
	$116,778,890

x Includes Newfoundland, $3,000,000.
† Ontario Treasury bills.

LIMIT ALL BONUSES TO 10-YEAR PERIOD

Ontario Measure Designed to Prevent Municipal Competition for Industries

Industry is seemingly not worried over the proposed revision of the Ontario Assessment Act limiting municipal bonuses to industrial enterprises. The regulation is the outgrowth of the conversations carried on between Premier G. Howard Ferguson, of Ontario, and Premier L. A Taschereau, of Quebec, and is designed to prevent excessive competition betwen municipalities of the two provinces for factories.

The Act limits all bonus agreements to 10 years, and also provides that they are not renewable. A subsequent amendment provides that the Act shall not come into force until August 1. This will give time for consideration of bonus agreements about to lapse. If it is desired to renew, there will be time for this to be done before the new measure comes into force. Agreements made or renewed before that date will come under the restrictions of the present law as to time, but will be subject to the new measure in the matter of renewal.

Toronto Issue Sells on a 5.33 Per Cent. Basis

The issue of $5,236,000 of city of Toronto 5 per cent. serial bonds due 1924 to 1954 was awarded to Wood, Gundy & Co. and syndicate at 96.87, a 5.33 per cent. basis. The bids were:

Wood, Gundy and Co., Dominion Securities Corp., A. E. Ames & Co., National City Co., Harris Forbes & Co., R. A. Daly & Co., Matthews & Co.	96.87
A. Jarvis & Co., Dominion Bank, McLeod, Young, Weir & Co., Gairdner, Clarke & Co., W. A. Mackenzie & Co., Bell, Gouinlock & Co., Murray & Co.	96.576

Drawings of French Bonds

Only those issues that have been sold Canada are included.

CREDIT NATIONALE
500 francs bonds 5% issue of 1919
Drawing of March 1, 1924

No. 3,649,622 repayable at 1,000,000 francs.

No. 3,321,755 repayable at 500,000 francs.

Nos. 1,616,798; 3,917,032; 6,220,877; 6,260,292; 6,740,576 are each repayable at 100,000 francs.

Nos. 213,182; 1,138,194; 1,773,930; 3,066,292; 4,102,963; 4,228,216; 4,831,473; 6,704,632; 7,160,691; 7,583,828 are each repayable at 50,000 francs.

With the exception of the foregoing bonds each of the following bonds is drawn for redemption at 600 francs:

213,101—200	615,601—700
802,201—300	975,501—600
11,380,101—200	1,616,701—800
1,718,901—200	1,773,901—900
1,719,000—200	1,774,000—900
1,756,101—200	1,792,801—900
3,039,501—600	4,915,901—600
3,063,801—900	4,916,000—600
3,066,201—300	4,998,501—600
3,321,701—800	5,066,101—200
3,468,701—800	5,135,101—200
3,600,601—700	5,811,201—300
3,649,601—700	6,220,801—900
3,917,001—100	6,229,201—300
4,102,901—300	6,260,201—300
4,103,000—300	6,372,101—200
4,223,201—300	6,579,501—600
4,831,401—500	6,663,301—400
6,704,601—700	7,160,601—700
6,740,501—600	7,382,701—800
6,813,301—600	7,446,201—300
6,814,501—600	7,583,801—900
7,016,501—600	7,732,601—700
7,040,601—700	7,802,501—600
7,152,301—400	

BURDEN OF BRITISH INCOME TAX REDUCED

A Reduction of About £40,000,000 Reported in the New Budget

LONDON.—Expenditures in running the government of the United Kingdom were nearly £50,000,000 less than total income for the year.

The official figures as announced by the Exchequer were: Revenue £837,169,284; expenditures, £788,840,211.

In the previous fiscal year, John Bull's books showed a surplus more than twice as large. It was £101,500,000.

The slump in this year's surplus is almost entirely attributable to the reduction in the tax on the incomes of the British people, a tax which is still very high—from about 20 per cent. upward.

The new British budget will be about £784,000,000, a reduction on last year's expenditure of over £40,000,000. Savings are made in civil services of about £37,000,000, the army is cut £7,000,000, and the navy £3,000,000.

This is the Labor government's first budget, and is arousing more interest on that account than the savings justify. On the fact of the figures, Mr. Snowden, the new chancellor of exchequer, would seem to be making a reputation as arch economizer. But the credit for economies must be shared with the Conservatives.

Labor is being congratulated on carrying the good work forward in spite of countless temptations to spend revenue on long-petted Labor schemes. But many of the "economies" are automatic, and others would have been made had Baldwin stayed in power. The budgets compare as follows:

	1924-5	1923-4
Service of debt	£380,000,000	£375,000,000
Civil service	289,874,727	327,212,872
Army	45,000,000	52,000,000
Navy	55,000,000	58,000,000
Air force	14,000,000	12,000,000
Total	£783,874,727	£824,212,872

JOINS MUNICIPAL BANKERS

N. P. Kelly, formerly associated with W. C. Brent & Company for some years, has joined the Municipal Bankers Corporation.

TAX RATES FOR 1924

Goderich	45 mills
Grand Forks	35 mills
Rossland	40 mills
Vancouver	31.66 mills

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	95½	96½
Alabama 5% 1962	68¾	70½
Algoma Steel 5% 1962	35½	36
Ames Holden 6% 1947	52½	..
Belding 5% 1936	86	..
Belgo Can. Paper 6% 1943	95½	95¾
Brompton 8% 1941	108	110
Burns, P. & Co. 6½% 1943	98½	100
Can. National Rly 5% 1954	98	98½
Calgary Brewing 5% 1942	76	79
Can. Steamship Lines 7% 1942	95	96
Can. Light & Power 5% 1949	75½	..
Consumers Glass 6% 1935	85½	88
Can. Nor. Rly. Income 5% 1930	51½	51¾
Can. Steel Foundries 6% 1936	98	..
Dom. Iron 5% 1939	70	74½
Davies, Wm. 6% 1942	..	84½
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	102½	..
East Koot. Power 7% 1942	97½	..
Fraser Co. 8% 1941	104¾	105½
Frontenac Brewery 6% 1951	87	88
G.T.P. 4% 1955	72½	..
G.T.P. Sun. 4% 1955	73	..
Holt, Renfrew 5½% 1937	..	96
H. Smith Paper 7% 1941	..	97½
Lake Sup. Paper 6% 1941	104½	..
Laurentide Pow. 5% 1946	96½	97½
Laurentide Pow. 6% 1936	95½	98
Maple Leaf Milling 6½% 1943	99½	101
Maisonneuve 5% 1954	96½	..
Man. Power 7% 1941	100	100½
Mattagami 6% 1937	60	..
Mattagami Deb. 7% 1949	..	24
Montreal Pub. Ser. 5% 1942	..	80½
Montreal Pub. Ser. 6½% 1928	99	100½
Montreal Steel Works 6% 1940	99	..
Province of Ontario 5% 1948	98	98¾
Nor. Ont. Power 6% 1931	91½	92½
N.S. Steel 6% Deb.	..	74
Ottawa Gas 6% 1939	100	..
Ottawa Gas 5% 1934	..	99
Ontario Pulp 6% 1931	105	..
Price Bros. 6% 1943	99½	100
Paton Mfg. Co. 6% 1953	94½	..
Provincial Paper 6% 1940	..	100
Porto Rico Rly. 5% 1962	..	94½
Quebec Power 6% 1953	..	95½
Quebec Jacques 5% 1931	82½	90
Shaw. Cotton 6% 1949	..	80½
Shawinigan 5% 1934	102	..
Shawinigan 5½% 1950	102	..
Shawinigan 6% 1950	103½	..
South Canada Power 6% 1948	100½	101
Spanish River 8% 1941	..	106½
St. Maurice Power 6½% 1953	106½	..
Toronto Power 5% 1924	99½	100½
Wabasso Cotton 7% 1942	97½	100
Windsor Hotel 6½% 1943	100	..
West. Koot. Power 6% 1943	99½	..
West. Power 5% 1949	87	..
West. Power 7% 1926	98	..
West. Quebec Pow. 6½% 1931	70	..
Winn. Elec. 6% 1943	..	92
Chicoutimi Pulp 6% 1943	62	..
Montreal L. H. & Pow. 5% 1933	96½	..

TORONTO CURB QUOTATIONS

	Bid	Asked
Abitibi Gen. Mortgage 6% 1940	95½	97
Amer. Sales Book 6% 1927	98	..
Ashdown Hardware 5% 1928	94	..
P. Burns Co. 6½% 1943	98	100
Can. Machinery 6% 1940	..	75
Pedlar People 8% 1934	100	105
Whalen Pulp 6% Ser.	55	62
Whalen Pulp 7% Deb.	15	18
Harris Abattoir 6% 1926	99	101

BOND MOVEMENTS OF THE WEEK

Week Ending April 1.

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Latest Price Ask	Latest Price Bid	High	Low
Asbestos	5	1942	6.90	90	79	88½	79	80	—	80	—
Can. Bread	6	1941	5.81	100	96	102	99	102	101	102	—
Can. Car.	6	1939	5.85	101	95	101⅝	99	—	100½	101⅝	—
Can. Cement	6	1929	5.95	103¼	100	103½	100	—	100	101¼	—
Can. S. S. L. debs.	5	1943	6.96	81¾	75	79	70½	79	—	79	—
Cedar Rapids	5	1953	5.06	98½	93	99	95	99¾	98	99	97½
Dom. Coal	5	1940	5.29	96	94	96¾	95⅝	96	—	96¾	—
Dom. Iron	5	1929	7.29	94	84¾	89	85	—	88½	89	—
Lyall Cons.	6	1932	7.71	97	85	90	88	—	90	89	—
Montreal Trams.	5	1941	5.81	92⅝	87½	92	91⅛	91⅛	—	91⅛	—
Porto Rico	5	1936	6.81	84½	82	84½	84½	84½	—	84½	—
Quebec Rly.	5	1939	6.69	83½	68	83¼	80	84	83¼	83¼	83
Span. River	6	1931	5.19	104	103½	105¼	105¼	105¼	—	105¼	—
Wayagamack	6	1951	7.86	86¾	75	80¾	78½	79	—	79	—
War Loan	5	1925	4.56	100.95	99.10	101.15	100.15	101.05	100.95	100.90	100.83
Do.	5	1931	4.90	101.80	99.80	101.90	100.15	101.30	101.20	101.43	101.05
Do.	5	1937	4.73	103.80	102.00	103.30	102.50	102.70	102.60	102.90	102.60
Victory Loan	5½	1924	1.98	101.65	99.80	100.90	100.05	100.70	100.60	100.60	100.45
Do.	5½	1927	4.73	103.50	101.60	103.15	102.15	103.00	102.90	102.75	102.25
Do.	5½	1933	4.86	106.70	104.15	106.65	104.90	105.15	105.05	105.20	104.90
Do.	5½	1934	5.13	103.90	101.30	103.30	102.20	102.85	102.75	103.10	102.75
Do.	5½	1937	4.83	108.45	106.25	108.17	106.90	107.20	107.10	107.25	106.90
Do., Renewal	5½	1927	5.01	102.80	100.75	101.80	101.00	101.95	101.75	101.80	101.50
Do., Renewal	5½	1932	5.13	103.15	100.80	102.75	101.35	102.50	102.40	102.40	102.20
Do., Refund	5	1928	4.96	99.70	98.80	100.50	99.40	100.40	100.30	100.15	100.05
Do., Refund	5	1943	5.00	99.25	97.90	100.30	99.00	100.00	99.90	100.05	99.90

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An Opinion on Cement

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Tenders and By-Laws

TENDERS WANTED

Apr. 5, Toronto Twp.—$23,000,5%, 30-instal. debentures. J. R. Kennedy, Clerk, Dixie P.O., Ont.

Apr. 8, County of Peel.—$167,500, 5% 20-ins. L. H. Willis, County Clerk, Brampton. (See announcement on page 16.)

Apr. 7, Hull.—$292,000, 5½% debentures, due 1947. H. Boulay, City Clerk. (See announcemnt on page 16.)

Apr. 8, Torquay, Sask.—$8,000, 20-yr. debentures. S. Pearson, Sec.-Treasurer.

Apr. 10, Village of Richmond Hill.—$95,000, 5½%, 30-yr. A. J. Hume, Clerk, Richmond Hill. (See announcement on page 16.)

Apr. 25, Village of Athens.—$40,000, 6%, 30-ins. debentures. M. B. Holmes, Reeve, Athens.

Apr. 16, Joliette.—$77,100, 5½%, 10 and 25-yr. bonds. A. L. Marsolais, Sec.-Treas.

Apr. 17, Greenfield Park.—$20,000, 5½% bonds. E. J. Allwright, Sec.-Treas.

Apr. 10, Oshawa.—$533,027, 5%, 20 and 30-ins. debentures. P. A. Blackburn, Treasurer. (See announcement on page 16.)

Apr. 15, Regina.—$146,390, 5½ per cent., 5 to 30-yr. debentures. J. E. Snowball, City Treasurer. (See announcement on page 16.)

SASKATCHEWAN

Authorizations Granted by the Local Government Board from Mar. 20 to Mar. 27, 1924.

Schools—Indian Hill, $4,750; Mount Rumble, $3,000 Moosehorn, $600; Connaught, $1,000; Gouvernour, $3,500; Highwood, $4,000; Wheat Centre, $2,000.

CIVIC AND PROVINCIAL FINANCE

NEED A DEFINITE DIVISION OF TAX FIELDS IN WEST

Demands For Conference Not Met; German System is Well Worked Out

By C. J. YORATH,
City Commissioner, Edmonton.

That the difficulties of Western Canada municipalities could have been largely avoided if some comprehensive system of taxation, such as that inaugurated in Germany in 1893, with (a) a land tax, (b) a building tax, (c) a trade tax, and (d) an income tax, had been adopted years ago, is beyond doubt.

There can be no doubt that municipalities cannot continue to finance their obligations and maintain services including the present system of education unless the Dominion and Provincial Governments stop their continued encroachment upon the available revenues of the municipalities and at the same time expect them to finance what are Dominion and Provincial obligations, i. e. education, unemployment, mothers' pensions, etc.

Centralization Benefits

A conference between Dominion, Provincial and Local Governments for the purpose of deciding upon a more scientific and equitable form of raising revenue by the governing bodies than at present in vogue, has been advocated, but up to the present nothing practical has been done. From the following description of the taxes imposed in Germany it will be seen how the collection of the major taxes is simplified by centralization and the rights of the local communities to proper sources of revenue are fully recognized by the Government.

In Germany the Land Tax is levied on the net annual rental value of unbuilt-on land. It is paid by the owner.

The Building Tax is levied on the net annual value of house and building property and is also paid by the owner. The Trade Tax is levied on traders according to a classification which fixes the rate at from ¼ to 1 per cent. of their net profits. The Income Tax is levied, for State purposes, on annual incomes of £45 and upwards. It is based on a system of self-assessment, which is said to be remarkably satisfactory and honest.

The first three taxes were, prior to 1893, proper State taxes, the proceeds of which went into the Central Exchequer. But the whole proceeds of these taxes are now handed over to the local authorities. The proceeds of the Income Tax go to the State, but the local authorities are allowed to add, for their own purposes, certain percentages to the amount raised by the State. The Communes, however, are allowed to proceed below the limit of $205 fixed by the State, and to tax incomes as low as $100 per annum. Special rules are laid down to allocate the proceeds of Income Tax for local purposes between competing communities.

TOURISTS AT BANFF PARK

BANFF.—According to figures compiled by the chief engineer of the Banff National Park, nearly 1,600 American cars came into the park over the new Banff-Windermere highway during the period from June 30 to November 23, and 3,341 Canadian cars entered the park, with 15,500 passengers.

PREMIER DRURY'S STAND

Ex-Premier Drury declares that he was misreported at Newmarket and that he did not repudiate responsibility for the department of the Provincial Treasurer under Hon. Peter Smith's administration. He did say that he had no knowledge of the transactions in question, for which Mr. Smith and the officials of the department were responsible. Further he assumed responsibility for Mr. Smith being in the cabinet. This responsibility, Mr. Drury says, he has neither the intention nor the desire to evade. When he asked Mr. Smith to become his colleague he believed him to be a man of honor, and he adds: "after four years of close contact with him I still hold this belief."

HYDRO BILLS TO BE PRIOR TO MORTGAGE

Loaning Institutions Think Undermining of the Mortgage is Dangerous

A bill before the Ontario legislature proposes to extend the powers of municipally-operated public utilities in collecting their bills on the same basis as taxes to the various wide-flung Hydro projects. This would give the Hydro the right to enforce its obligations as a prior lien to mortgage indebtedness. The various mortgage loaning institutions see in this a serious undermining of their rights and argue that the principle is a dangerous one in the discouragement of capital; this has been shown in the Western provinces, where a great deal of such legislation has been tried and where it is now realized that the consequences have been serious, in scaring off investment funds.

Experience in Ontario has not tended to indicate that there will be any very serious consequences of the measure, because power bills can be collected, and have been collected promptly under the threat of discontinuance of service. However, with the spread of the Hydro services throughout rural districts, and the extension of individual obligations to include cost of power lines as well as service charges, it becomes another matter, and if charges are not promptly collected there may be accumulations against properties, which will impair the position of the mortgagees. On the other hand, installation of power lines, and of power equipment, should be in the best interests of the farmer, and, therefore of the mortgagee. What the mortgage loaning interests suggested therefore, was that the signature of the registered property owners should not be accepted without getting the consent of the mortgagee. It was argued that a farmer with only a small equity in his property should not be allowed to assume obligations for which the mortgagee rather than himself would be responsible.

Will Carry Humboldt Case to Supreme Court

The next move in the struggle of debenture-holders of Humboldt, Sask., to secure the fulfilment of the contracts, is the presentation of their case before the Supreme Court of Canada. This decision was arrived at after the denial by the Saskatchewan Court of Appeal of the right to appeal against the order of the Local Government Board. If the contentions of the board are upheld, it has powers to determine what interest defaulting municipalities in the province must pay.

PAPER SURPLUS BEING SHOWN BY BECK'S RAILWAY

City Auditor Exposes the Methods of L. & P. S. System

LONDON.—At the risk of being called "an enemy of hydro and public ownership," the city auditor, in his annual report on the London and Port Stanley Railway, takes exception to the financial methods of the management of the road, whereby, he claims, deficits are changed into surpluses. He alleges, according to published report, that items of expenditure have been charged to capital account which properly belong to current expense, the result being to create "paper surpluses which do not in reality exist." Mr. Ashplant finds a deficit for 1923 of $30,000, and he also questions the surpluses shown in the commission's statements since 1919, amounting to about $21,000. Dealing with the situation, the London Echo says:

The question, of course, is one of book-keeping, and also involved is the point whether there should be one system of accounting for the railway and a different one for all the other civic services. Mr. Ashplant is auditor not only of the railway accounts, but of those of the city council, utilities, schools and hospital, and naturally objects to any one of these services following a system exclusively its own. Possibly if the council and school board were to adopt the railway's accounting system they, too, would be showing good-sized surpluses this year and the work of lowering the mill rate would be greatly simplified. If the railway financing system is permitted to go on indefinitely it may be found necessary, when quoting civic figures, to place some distinguishing mark against those concerning the railway and another for those of all the other departments. The public, however, is more familiar with the standardized system of accounting and, we fancy, would prefer that it be adhered to by all civic bodies. No good can result from persistence in the railway commission's system; sooner or later the fallacy of it must force itself upon the public, just as it would if the council adopted the plan. There should be no camouflaging of accounts, particularly where the public interests are involved. If the railway hasn't been a paying proposition recently let the public know it, even though it would be an acknowledgment that predictions made by advocates of electrification were false; the citizens would be found willing to make allowance for "bad business year" and that sort of thing, knowing that the city's railway is not the only concern of the kind that is not making money. The public is entitled to the plain, blunt truth, no matter how plain and blunt it may be.

NEW MILL AT TAVISTOCK

TAVISTOCK.—By a huge majority, the ratepayers of the Village of Tavistock, Oxford County, carried a by-law to guarantee the bonds of the Tavistock Milling Company to the extent of $25,000 for the building of a new mill to replace the one which was burned down in October, 1922.

GRANDE PRAIRIE REPORT

The total liabilities of the town of Grande Prairie are $43,500, according to the annual statement on Dec. 31, 1923. These include debentures of $35,362, and reserve for depreciation on debenture assets of $8,138. The revenues for 1923 were $19,080, and the expenditures $14,214, leaving a surplus of $4,866.

The electric light department operated at a loss of $79.51, and the water works lost $216. The total taxes collected during the year were $35,430, of which $13,891 were current property taxes and the balance arrears, penalties and business taxes of $2,225.50.

What are We Going to Do About the War Debt?

(Continued from page 1)

on, must be carefully scrutinized when the estimates appear for they are not only a burden upon the present but upon the future generations until the debts are repaid.

SEGREGATE THE WAR DEBT

However necessary and desirable our expenditures upon the war undoubtedly were it is not to be denied that from an economic point of view they were unproductive and must be included in the second class. Their burden for interest charges is appalling. Out of the current estimated expenditure for 1924-1925 of $400,571,850, more than one-third or $134,258,371 is accounted for by interest and other debt charges—an amount nearly equal to the total revenue from taxation in 1914. Of this amount $100,695,819 must be paid as interest upon $1,865,843,350 war bonds maturing in Canada as follows:

Amount	Nature	Interest	Maturity
$107,955,650	Victory Loan, 1919	5½%	November 1, 1924
42,014,500	War Loan, 1915	5 %	December 1, 1925
63,437,350	Victory Loan, 1917	5½%	December 1, 1927
29,068,400	Renewal Loan, 1922	5½%	November 1, 1927
52,931,600	War Loan, 1916	5 %	October 1, 1931
85,395,750	Renewal Loan, 1922	5½%	November 1, 1932
446,663,800	Victory Loan, 1918	5½%	November 1, 1933
511,910,650	Victory Loan, 1919	5½%	November 1, 1934
90,166,900	War Loan, 1917	5 %	March 1, 1937
236,298,850	Victory Loan, 1917	5½%	December 1, 1937
200,000,000	Refunding Loan, 1923	5 %	November 1, 1943

(Including bonds maturing in 1928)

This formidable list of bond issues does not include all the obligations floated in Canada, England or the United States for war purposes but it may be segregated as that major part of the national debt to which measures for repayment must be applied.

It is a principle of public finance that the payment of the principal of a debt tends neither to impoverish a nation nor to retard its material development; but, on the other hand, the maintenance of the principal and the constant payment of accruing interest tend to cripple the productive capacity of the people.

The enormity of the principal and interest of our debt, therefore, bring into relief the main mistakes of our revenue policy during the past decade which have been:

1. Inadequacy of taxation during prosperity.
2. Failure to provide for redemption of debts after the war.
3. Inability to balance the budget since the Armistice.
4. Ill-advised experiments in taxation.
5. Lack of stability in tax and tariff policies.
6. Reluctance to make provision for expert administration.

To rectify these mistakes and to adapt our policies to Canadian conditions THE FINANCIAL POST has repeatedly urged the appointment of a permanent advisory tax and tariff commission. The redemption of the Canadian war debts is an important aspect of fiscal policy, and with the non-productive nature of the debt, its magnitude and annual burden upon the taxpayer in mind, the inquiry of succeeding articles into refunding operations, sinking funds, serial bonds and instalment bonds as means of redeeming the debt may stimulate further investigation into this important subject.

These articles will go to prove that not only is it sound public policy to arrange the discharge of the war debt on a definite schedule, but that it is practical and feasible as a matter of sound finance.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
Mar.	—Point Grey, B.C.	Royal Financial Corp., Vancouver	5½%	20-yr.	$265,000	98,542	..
Mar.	—Point Grey	Royal Financial Corp., Vancouver	5%	30-yr.	51,000	92.162	..
Mar. 29	—Niagara Falls	Matthews & Co., Toronto	5½%	20-ins.	50,000	100.364	..
Mar.	—North Norwich	.. ..	5½%	10-ins.	30,000	100.30	..
Apr. 3	—Toronto	Wood Gundy & Co. and Syndicate	5%	Sev.	5,236,000	96.87	..
		CORPORATION					
Mar. 26	—H. Smith Paper	Aldred & Co., Syndicate	7%	..	$1,471,000	98	7.2
Mar. 27	—St. Lawrence Paper	Nesbitt, Thomson & Co.	6½%	20-yr.	2,500,000	..	..

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FROM our April list of offerings, we have selected the seven issues shown herewith as being particularly attractive. We also offer, Victory Bonds in all maturities—at market, as well as bonds of several Provinces and of many of the principal Municipalities of Canada, at prices to yield from 5% to 5.50%.
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Price to yield about
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PROVINCE OF ONTARIO — 5% Bonds, due Oct. 15th, 1948 - 5.10%
PROVINCE OF QUEBEC (Guarantee) (*Protestant Hospital for Insane*) — 4½% Bonds, due May 1st, 1929 - 5.10%
CITY OF ST. CATHARINES, Ont. — 5½% Bonds, due Oct. 1st, 1927-38 - 5.20%
ABITIBI POWER & PAPER CO. Ltd. — 6% Bonds, due Jan. 2nd, 1940 - 6.35%
PROVINCIAL PAPER MILLS, Ltd. — 6% Bonds, due May 1st, 1940 - 6.00%
KINGDOM OF NORWAY — External S.F. 6% Bonds, due Aug. 15th, 1943 - 6.65% N.Y.

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Edson L. Pease — W. N. Tilley, K.C. — Hon. J. M. Wilson

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BESCO PRODUCTION IRON, STEEL, COAL, INCREASED IN 1923

Outlook Encouraging, President Wolvin Tells Shareholders

EFFECT ECONOMIES

Company Lops Off $400,000 a Year From Overhead Expenses—Ore Sales to Germany

From Our Own Correspondent.

MONTREAL.—A fairly optimistic future of the outlook for British Empire Steel Corporation was painted by the president, Roy M. Wolvin, in his address to the shareholders at the annual meeting. He stated: "The general outlook to-day is very much the same as a year ago. Your corporation has about the same amount of unfilled orders, and we have an increased producing capacity."

Profits on Ore Expected

Mr. Wolvin made the interesting statement that the company was looking forward to turning its ore properties into a distinctly profitable enterprise. It had been expected that profits would be earned on ore shipments in 1923, but the expected profits did not materialize. The company had made no money on ore shipments. A promising market for ore had been found in Germany, but the French occupation of the Ruhr Valley had cut off this business. However, there was prospect of sales of ore being resumed in Germany, and in fact, said Mr. Wolvin, orders have already been taken in the past few days.

In his address to shareholders, Mr Wolvin said that the company produced 748,387 gross tons of iron ore at its Newfoundland mines in the year 1923, and shipped 208,985 tons to Germany, 65,575 tons to England 49,840 tons to the United States, and 413,174 tons to Sydney, Nova Scotia a total of 737,574 tons. The shipments to Germany in the year 1922 amounted to 724,862 tons. The reduction in German shipments was brought about by the occupation of the Ruhr and inability of customers in Germany to receive and pay for the ore.

Increase in Production

Production figures were given and indicated increases all along the line despite strike conditions during the year. Coal production totalled 5,105,695 gross tons, as compared with 4,254,874 tons in 1922. Pig iron production was 277,681 tons, as compared with 120,789 tons in 1922. Steel ingots produced amounted to 297,988 tons, as against 139,549 tons.

The semi-finished steel further manufactured at New Glasgow plants amounted to 63,220 tons, as compared with 31,439 tons in the year 1922. The steel plant at Sydney Mines was idle throughout the year.

The Eastern Car company plant enjoyed a fair amount of business during the year 1923, and the Halifax shipyards, while not engaged on the construction of any new ships, had a larger volume of general ship repairs.

Mr. Wolvin stated that attention was being paid to economies in operation, and already overhead expenses had been reduced by about $400,000 a year.

Mr. Wolvin went extensively into the causes of the labor trouble in Cape Breton, and discussed also the corporation's need for specific tariff changes.

Two new directors who had been added to the board during the year J. E. McLurg and George F. Downs, were elected by the shareholders.

Saskatchewan Loan Maintained Position

Saskatchewan Loan and Investment net earnings in 1923 were $24,728, compared with $25,464 in 1922. After taking care of all charges the balance forward stands at $10,875, as compared with $10,319 in 1922.

The gross revenue in 1923 was only some $600 lower than 1922, but this was more than offset by a heavy income tax provision, while dividend payments were $750 greater. Liquid assets stand at $374,572, with liquid liabilities at $64,435.

The profit and loss account:

	1923	1922
Revenue	$29,720	$30,398
Expenses	4,992	4,934
Net income	$24,728	$25,464
Excess tax prov.	......	534
Bal. forward	10,319	5,462
	$35,047	$31,460
Less income tax	2,251	......
	$32,796	$31,460
Dividends	21,921	21,141
Balance	10,875	10,319
	$32,796	$31,460

Want Brick Tariff of Dominion to Stand

Ontario interests are opposing the proposal of Nova Scotia interests to abolish the tariff on bricks. The proposal is based on the contention that the United States tariff permits building brick to enter the United States free of duty from any country which permits entry of such brick from the United States free of duty.

Ontario manufacturers believe that the hope of securing any continuous or valuable market for Canadian brick in the United States is illusory and state a movement has already been begun in the United States for restoration of the tariff on brick in that country on account of alleged unfair competition from other countries operating under low labor costs. It is felt that, while little or nothing would be gained under the proposed mutual cancellation of duties on brick, Canada would lose heavily.

Canadian brick industry has not yielded much in the way of returns to those who have invested their money in it, as during the past ten years it is estimated that the average return to shareholders in the industry has been about 1 per cent. on the capital invested.

GRAIN MEN DOUBT GREAT BENEFITS OF WHEAT POOL

Argue That Price of Companies May be Better

From Our Own Correspondent.

CALGARY.—The grain trade in the West is by no means satisfied that the wheat pool, as it is operating at the present time at any rate, is going to be a great boom and blessing to Alberta farmers. They are many who would like to be convinced that it would because it is well recognized that unless the farmer is prosperous in an essentially agricultural province like Alberta, then it is a pretty bad outlook for the greater majority of its citizens.

A farmer pays exactly the same charges on his wheat if handled by the pool as if he dealt with an independent elevator, that is 1¾ cent handling charges and 1 cent commission, in addition to which there is the extra cost of the pool's machinery, a rough guess of which is ½ cent a bushel, but the pool trustees refuse to give any official estimate as to this.

It might be argued there will be a big saving when the pool owns its own elevators. Many grain men, however, think different. An ordinary country elevator in Alberta cannot be operated under about $4,200 a year. It would cost say $12,000 to build, or buy, and the capital investment at 7 per cent. would add another item of approximately $840, so that altogether an elevator would have to make $5,000 a year to pay expenses and show a profit. In view of this figure, and it is fairly conservative, elevator men state that the 1¾ cents for handling charges and 1 cent for commission would have to be charged by the pool in order to allow it to break even on its elevators because, however co-operatively it worked, it would have to provide for depreciation, taxes, insurance, operating and other expenses.

Grain men, while not showing any open antagonism to the pool, cannot at all follow the statement of the chairman of trustees in face of all this that pool members will be in "a much better position" than those who this season have been shipping their wheat in the ordinary way. They point to the initial payment made, which was 53 cents a bushel for street wheat. Then the pool is now paying a further 10 cents a bushel, and they hazard a guess that the final payment will be another 10 cents, making 73 cents in all. Now, it is a well-known fact that independent companies have been paying anything from 75 cents to 81 cents all through the season, and a fair average would be from 76 cents to 78 cents. They, therefore, cannot see where the pool farmer is going to benefit.

LOAN ASSOCIATIONS NOW AFFILIATED

Ontario Body Will Become Provincial Branch of the Dominion Organization

The Land Mortgage Companies' Association of Ontario, which recently held its 37th annual meeting, will affiliate with the Dominion Mortgage and Investments' Association, of which it will become in effect the Ontario provincial branch. The two associations have worked together at all times, and the Dominion Association has not had an Ontario branch as in other provinces, any provincial work as well as the federal work being done by the Dominion organization. D. D'Arcy Leonard, who has been the secretary of the Ontario Association, will assume the duties of legal secretary of the provincial organization under the new arrangement, and will look after the interests of all the mortgage institutions in this province, as is done by the legal secretaries of the branches in other provinces.

At the annual meeting of the Ontario association, George H. Smith the vice-president, referred to the satisfactory tendency in the Western provinces to modify much of the experimental legislation that had been passed which seriously undermined the position of mortgagees and investors generally. He expressed the hope, which he evidently considered well founded, that legislation of a saner character might be expected in these provinces in the future.

In discussing legislation of the year, particular mention was made of the drastic effect of the prior lien for income tax created by the Dominion government, to which such strenuous objection has been raised by the mortgage loaning institutions.

BETTER DAYS FOR ALBERTA BREWERY

LETHBRIDGE.—The Lethbridge Brewing and Malting Company, are making improvements in their plant here to the extent of $100,000. This amount is largely represented in new machinery, although the floor space has also been enlarged considerably. There has been a lively demand for Lethbridge brewery stock since Alberta jumped from the "dry" to the "wet" column, but there is little to be had. This company has a large sale in this and neighbouring provinces. In addition to beer and kindred beverages, soft drinks are manufactured.

PRIVATE CAPITAL SHOULD BUILD THE HUDSON RAILWAY

Suggestion of a Former Canadian Pacific Official

IF PROPOSAL SOUND

Company Might be Organized; Dangerous to go on Spending Public Funds on the Project

(From Our Own Correspondent).

WINNIPEG.—Turn the Hudson Bay railway over to any private corporation which will undertake to complete it and give a service, but no more government money for this project, is the position taken by J. G. Sullivan of Winnipeg, formerly chief engineer of the Canadian Pacific Railway's western lines.

Mr. Sullivan's contentions have opened up a new channel of controversy in connection with the Bay line scheme, the discussion in connection with which has been waxing warm in all parts of the west, but particularly in Manitoba and northern Saskatchewan.

His proposal came out in the form of a signed statement which appeared in one of the local papers, and seems to have been inspired by the fact that the recent economic conference here passed a resolution urging the completion of the line. He says:

"The newspapers the 'On to the Bay Association,' and all advocates of the railway are waving the flag It is the East vs. the West, and nobody knows where it will end.

"I don't know whether the road should be built or not, but I have not seen any evidence or heard any argument that would have justified any government in expending the money already invested; nor is there any evidence that would justify any further expenditures at the present time.

"Ex-Mayor Gray, of Winnipeg, is quoted as publicly stating, 'Build the railway, then navigation and shipping will take care of itself.'

"We read or hear the statement nearly every day, that if the railway was completed, the annual saving to the West would be a sum that varies from five to fifteen times the estimated cost of completing the line.

"If these statements are one hundredth part true the undertaking would be economically sound.

"As a taxpayer, I protest against spending any more money on this railway without some evidence of its ultimate success, and I believe that in so protesting, I voice the sentiment of the vast majority of the taxpayers in Canada, therefore my suggestion is that the government offer to turn over this railway to any private corporation that will guarantee the completion of the road upon the receipt of $1.00 as payment in full for all the assets, chattels and rights of the company. This offer does not apply to any city or province who collect their funds by public taxation. The object of the suggestion is to relieve the taxpayers of Canada of carrying the fixed charges on a further expenditure of twenty or thirty million dollars, with the possible further charge on account of operating deficits.

"The carrying out of this plan would mean that such a company would receive a subsidy at a rate over ten times as large as any ever given to any other private company.

"If, as has been stated, the possibilities of this road are one hundredth part as good as its friends state, then they should have no difficulty in forming a company and raising the necessary funds for the completion of the railway."

Mr. Sullivan is an ex-president of the Canadian Engineers' Association and is regarded as one of the foremost representatives of his profession in western Canada. He is also a member of the Winnipeg city council.

Bell Telephone Instals Its 500,000th Telephone

From Our Own Correspondent.

MONTREAL.—Bell Telephone has gone over the half million mark in installed telephones, marking another important milestone in the development of this important and almost all-Canadian enterprise. A couple of years ago a milestone was passed when Toronto installed its 100,000th telephone and Montreal also installed its 100,000th telephone last year. It is estimated that there are about 125,000 telephones on the systems of the rural companies connected with the Bell lines. As Bell Telephone now operates only in Ontario and Quebec, these two totals together indicate that Ontario and Quebec are among the best-telephoned communities in the world.

Most of the recent growth has come in household telephones. Three-quarters of Montreal's new telephones were installed in homes last year and about the same percentage prevails throughout the system. In London, Ont., over 88 per cent. of the new telephones of last year were in homes, and some other communities showed similar high percentages. These figures emphasize the statement of the president, Lewis B. McFarlane, made in his annual report that "Service is now required of us in homes and small places of business which, a few years ago, could not have been considered as a possible market. Within our present boundaries the telephone field is broadening daily."

IMPLEMENT EXPORTS LARGER

OTTAWA.—The total value of Canadian farm implements and machinery exported from Canada last year was $8,187,492. For 1922 the total value of this class of exports was $5,041,044, and for 1921, $7,615,825. The total value of Canadian farm implement exports during 1920 was $12,197,994.

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CATALOGS FOR EMPIRE EXHIBITION

L. M. Cosgrave, assistant trade commissioner in London, who has been placed in charge of the information bureau of the Department of Trade and Commerce at the forthcoming British Empire Exhibition, writes under date February 10, 1924, requesting that all Canadian firms interested in providing data for use at the British Empire Exhibition should forward to him, at the Canadian Pavilion, Wembley Park, London, England, illustrated catalogues and sales literature which might be useful in amplifying the information he has on hand regarding Canada's various industries.

James W. Sewall, the forest engineer of Old Town, Maine, and Washington, D.C., reports that business is extremely good with him for this time of year. He has crews out in Maine, New Brunswick, Vermont, New York and Newfoundland, with over 800,000 acres of land ahead now to cruise and map.

Crerar Presents the Western Views on Economic Problems

Outstanding Farmer, Politician, and Co-Operative Organizer Tells Economic Conference How the West Would Deal With the Public Questions of the Day

By HON. T. A. CRERAR.

All Canada is interested in the economic problems of Western Canada, and also in the views of Western Canadians as to how these problems can be solved. As reflecting the Western attitude on these questions the following address before the Winnipeg economic conference by Hon. T. A. Crerar, farmer, politician and leader of the co-operative grain growers, will be found of interest.—Editor.

The subject I have been asked to deal with is Economics, from the Standpoint of Agriculture, with particular reference to the following points:

A. Readjustment of prices.
B. Transportation.
C. Immigration.

Economics is defined as "The science that treats of wealth, its production and distribution," and I shall endeavor to discuss this question in the light of this definition.

The Period of Deflation

It was natural, following the tremendous upheaval of the war, that there should be readjustment of prices. The tremendous demands occasioned by that titanic struggle inevitably advanced prices in practically every commodity. The world could not pass through such an experience as the war without tremendous reactions, and one of these has been the difficulties of readjustment of prices on equitable levels. In this question of the readjustment of prices no one has been more interested or affected than the farmer. He is affected in two ways, because he is essentially a producer, and because he is such, not only has he commodities to sell, but he has to make considerable purchases each year in order to produce the commodities he hopes to sell.

Following the war, there was for a short time a hectic period of prosperity, but economic laws are sure and certain in their working. The period of prosperity that many thought was going to last forever soon took on a different hue. The farmer was the first to suffer, not only in this country but in the United States as well. Deflation in the prices of the things he had to sell struck him first and hardest. His trouble in this country was accentuated by the fact that in the closing years of the war, in response to the urgent need for the production of foodstuffs, he had enlarged and increased his capacity for production by opening up more fields, buying more machinery, and in any other way he could.

Farmers and Prices

Agriculture is the only important industry that is in the position where those engaged in it have very little to say in fixing the price of the produce they have for sale or the things they have to buy. The Manitoba farmer is peculiarly in this position. There may be cases where milk producers or vegetable growers, close to a large city, through organization, may influence within certain limits the price of the things they offer for sale, but generally speaking there is no person anywhere who possesses less power in determining the price he will receive for his products than the farmer. That is not the position of labor, or of the middlemen who perform various functions in the exchange of goods. Labor is strongly organized, nationally and internationally, more so to-day than it has ever been, and it is able to exert a very great power, not only in the scale of wages labor shall receive, but in the number of hours per week and the working conditions generally under which labor operates. Anything I say is not said in the spirit of criticism of labor. I may have my own opinion, and I have, as to how wisely labor may have used its power, but I am not dealing with that here. I am endeavoring to discuss some of the things that influence prices, and I merely wish to make it clear that what I want to get at is facts, as far as agriculture is concerned, and am not concerned at the moment with criticising anything.

Let us take implements as a concrete illustration. The materials that go into the manufacture of implements are wood, iron and steel. Let us trace these from the beginning. In the first place the iron ore is dug out of the earth. Well, the wages of the man who digs it out of the earth have advanced very considerably since 1913. The wages of the coal miner who digs the coal that is used to smelt the ore have also increased, and the cost of the freight in hauling these commodities has also increased. When the ore goes to the smelter, the wages of the laborer engaged in all the various phases of treating it until it comes out in finished bars and rods of iron have increased. When the iron and steel and wood go to the factory, the wages of the factory workers have increased. A statement recently published by the Massey-Harris Company gives the information that the labor costs in their factories are 113 per cent. higher than they were before the war. Not only has the labor cost increased, but naturally the percentage of profits taken by the intermediaries who handle the goods in between has also increased. These costs and profits are cumulative in their effect, with the result that by the time the implement has completed its journey from the ore in the ground, the tree in the forest, that were its original elements, to the farmer, who has to use it in planting his seed, binding his harvest or threshing his grain, it has almost doubled in cost since before the war, the increase being at least 80 per cent. This increased cost to the farmer has to be carried by him. Everyone in the successive stages in the journey has been able to pass on his added cost to the next person who handled it. When it reaches the farmer, however, it has come to the court of last resort; it can be passed on no further, with the result that he has to shoulder the burden and make the best of it. He doubtless would pass it on if he could, but he cannot and he is compelled to work harder—if that be possible—in order to even up. What applies to implements applies to practically all other lines of goods, and building materials as well.

Increase in Freight Rates

I have endeavored to get as reliable information as possible upon the increased cost of farm requirements as compared with pre-war prices, and what I state is, I think, stated conservatively, and based on official statistics. The increase, in the cost of farm machinery has been at least 80 per cent. Lumber has increased from 60 to 70 per cent. Builders' hardware has increased by from 80 to 90 per cent., and in some cases even more. Clothing and boots and shoes have probably advanced at least 75 per cent., although the last few months has shown a tendency towards lower prices in these articles. Labor on the farm has gone up 50 per cent., and groceries have increased about the same. You will understand that these comparisons are all between pre-war prices and present prices. We find, too, that there have been increases in freight rates. No one is more affected by freight increases than the farmer because from the very nature of things the commodities he has to sell and the main commodities he has to buy, are bulky and heavy for transportation. The increase of freight on grain to Fort William has been about 14 per cent.; on hogs and cattle it has been about 25 per cent., as against pre-war rates; and the increase in the rates of such things as eggs, butter and poultry have been even higher.

Now let us, against all this, set a comparison of prices of farm produce as between 1913 and 1923. If we take the present price of wheat as against an average price of No. 1 Northern for 1913, we will see that the increase over 1913 is about 11 per cent. In getting this average let me point out that I have taken the price on a certain day in the first week of each month in 1913. When we look into the price of oats we find that they have done a little better, and that prices are about 18 per cent. higher than the average of 1913, arrived at in the way I have just mentioned. Barley is 32 per cent. higher. When we take livestock we find that the prices for steers are to-day slightly under the average of 1913, and that the same is true of hogs. Butter and eggs have been on the average probably 30 per cent. higher than 1913 and about the same thing may be said of wool. What is the net result of all this? Simply that everything the farmer buys to-day is costing him on an average at least 75 per cent over what it cost him before the war, and if you average up the increase in the price of everything he sells as against pre-war days it will probably not be more than 15 per cent. This situation indicates what is mainly wrong with agriculture to-day.

Farmers Cannot Fix Prices

While labor can organize to sell its commodity, and because of the strength of its organization dictate its own terms, a farmer can exert no such control over the price of his chief products. Anything in the nature of price-fixing legislation or effort will prove illusory, and that is particularly true of our Manitoba and Western Canadian farmer. Our chief products are grain and livestock. It is true we are increasing them by production of butter, poultry, honey and other things that can properly come within the region of agricultural products, but in the main our productions are livestock and grain. We produce enough wheat in the three prairie provinces to feed 50,000,000 people a year. We produce annually livestock away above our domestic requirements. Where are these sold? In the markets of the world in competition with the world. Conceivably the wheat farmer of the United States might be able, for a period at least, to control the price of his wheat. Some of the shrewdest of the farm leaders in that country are demanding that the federal government at Washington create machinery for selling the exportable surplus of United States wheat in the markets of the world, and at the same time raising the duty against foreign wheat to prohibitive figures. Those in the United States who advocate this plan estimate that their wheat surplus of say, 100,000,000 to 150,000,000 bushels a year, could be sold in the markets of the world at world prices, and that once this exportable surplus was out of the way the price would be raised to the domestic consumer in the United States to a point that would give the wheat farmer a price that bore some fair relation to the costs of things he had to buy. Such a plan might conceivably be worked for a while in the United States, where seven-eighths of the wheat produced by that country is consumed at home. It might work until the United States consumer protested against the price of his food. But it obviously cannot work for Canada, where six-eighths of our wheat is surplus wheat, and two-eighths consumed at home.

Pools Cannot Fix Wheat Prices

There has been a good deal of talk in connection with the pool, of securing increased prices by making the world consumer pay a higher price. I am bound to say that I think this is largely illusory. If, for the sake of argument, the price of wheat at Liverpool, by any action of the Canadian farmer could be advanced 25 cents a bushel and held there, what would be the result? A tremendous stimulus in production of wheat in countries like Russia and India, and indeed, a stimulus to production in Western Canada itself. It is, I think, a question beyond dispute, that when price fixing is attempted in any commodity or in any place, it can only succeed if those who are fixing the price can control the production, and it is quite clear to me that neither in Western Canada, the United States, nor anywhere else in the world, can pools that are created for the marketing of wheat or anything else control or limit its production.

Must Decrease Production Costs

Wherein, then, does the remedy lie? I submit it lies mainly in studying the field of production costs and in seeing where it is possible to reduce these costs, and I submit to you that in that respect every person in this province, whether he is a farmer, a business man, or a professional man has a vital and continuing interest. We have been going around in a vicious circle and we are getting a bit dizzy from the effects of it. In what direction does the remedy lie? Well, it seems to me that if farmers can practise more co-operation they can undoubtedly effect very considerable saving. In speaking to an implement manufacturer recently I said to him: "If farmers were in a position to pay you cash, or part cash, and the balance in 30 or 60 days, for your goods, and they could be shipped direct to the local point of distribution where the farmer uses them, what saving could be effected in the price?" He told me he thought at least 40 per cent. I think his statement is probably well within the mark. What applies in the matter of implements applies in many of the other things as well.

2. Labor costs—and I say this again without any suggestion of criticism of labor—must come down before agriculture can recover its prosperity. And by this I mean not the labor alone that works on the farm, but the labor that is applied in the production of the thousand and one things necessary for production on the farm.

3. Not only farmers, but business men, must practise the highest economy and efficiency in carrying on their business operations. The country cannot afford to support the drones of industry. Monopolies, where they exist, must be broken, if necessary by the power of the state.

Long-Term Rural Credits

4. I would say a sound system of long-term rural credits is essential for the agricultural industry. Now, in saying this I frankly admit that there are thousands of farmers, as there have been thousands of business men who in the past have not used wisely the credit facilities they have had. But what applies to the farmer in this respect applies to the business man. The farmer, in this respect, is in precisely the same position as the business firm that borrows money over a long period of years in order to immediately place it in a more effective position to carry on its business. The same is true with the farmer, and a long-term credit at as reasonable a rate of interest as can be provided, if wisely used, will enable him to equip his farm with buildings and with stock, and immediately increase its producing value. There should, however, be a clear understanding on the part of all concerned as to the purpose and the use of the credit that is given.

Tariff Must Come Down

5. There must be tariff reduction on the necessities of life. I am convinced that this is one direction in which substantial reduction in the cost of things necessary on the farm can be secured. No matter what nonsense may be talked to the contrary, the protective tariff is no use to the Canadian farmer. By the very force of circumstances he is compelled to sell his produce in the markets of the world in competition with the world. He should not be placed under the handicap of buying practically everything he requires in a highly protected market. Our policy for 40 years in Canada has been devised to create and encourage the development of manufacturing industries. Let us give some attention now to the creation and fostering and development of the agricultural industry of the Dominion, which, after all, whether you judge by the number of people engaged in it, by the amount of wealth produced, freight contributed for our railways, or exports to foreign countries, is the greatest and most important industry in this whole Dominion.

Better Farm Management

6. I think I may add another item, and it would be better farm management. There is no business to-day that calls for more or better brains for its success than does farming. It is a simple thing to learn to be a carpenter, or a painter, or a coal-digger, or a stone-mason. It is an extremely difficult thing to learn to be a first-class farmer, because the first-class farmer not only must study markets, study what his farm will best produce and how he can produce it most economically, but he has to learn to be a financier, he has to learn how to use credit and when to use it. He has to study weather conditions and soil conditions, what class of livestock he can produce most profitably, and whether his cows are wealth-producers or merely boarders on his farm.

Farmer is Self-Contained

7. Furthermore, there must be a more general recognition on the part of all people in the country that our national success is bound up largely with the success of our agriculture. In the final struggle for existence a farmer is in the best position. If he has a bit of ground and he is driven to it, he can manage to keep body and soul together pretty independent of the rest of the world. The man in the city is more dependent on the farmer than the farmer is on the man in the city, because if the worst comes to the worst the farmer can live pretty well self-contained, and if present conditions continue in relation to the prices he receives for what he sells against what he buys he is going to continue to live more self-contained.

Need More Immigration

I have already taken up too much time. In respect to the economics of transportation I merely wish to say that agriculture to-day is one of the largest factors in contributing freight to our railways, that from the very nature of it the freight that rises out of agriculture, both in what the farmer sells and what he buys, is bulky and heavy, as I have already stated. If agriculture can be made prosperous and more business can be contributed to our railways as a result of that prosperity, rates could be reduced, which would directly benefit the whole business community.

I think, too, that we need more immigration to this country, and we should open our doors to anyone who has a good character, who is honest and is willing to work. There is plenty of room in Canada for workers. If we can increase our population we can reduce the cost of our public services, and, I think, with benefit all around to all classes of our people.

While agriculture and business generally is having a difficult time at the moment, I am not pessimistic for the future. We have one of the finest countries in the world. We have a sturdy and virile people who do not succumb easily to difficulties, and if we have wise laws, wisely administered, if we can find and continue the conditions whereby everyone can get an honest reward for his honest labor, where everyone stands on an equal footing in this respect, I have every confidence in the future of our province and our Dominion.

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The Great West Permanent Loan Company
SECURITY
Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
Assets 6,184,420.00
HEAD OFFICE, WINNIPEG
Branches: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

Return of the Chartered Banks of the Dominion of Canada, Jan. 31, 1924

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of the Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Governments	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Balances due to Banks in Canada	Due to Banks in the U.K.	Due to Banks Elsewhere	Bills Payable
	$	$	$	$	$	$	$	$	$	$	$
Montreal	36,893,529	24,241,714	....	4,283,472	125,515,359	309,362,075	73,076,491	2,168,698	144,224	383,795	435,029
Nova Scotia	13,379,401	1,032,761	....	1,495,180	28,561,620	109,015,147	30,531,011	1,933,802	304,987	1,339,598	216,585
Toronto	6,119,558	133,064	....	1,315,233	26,185,566	45,618,420	....	1,107,875	200,797	1,900,930	....
Molsons	4,531,519	115,862	....	374,400	13,678,460	39,745,822	....	269,312	30,338	211,639	....
Nationale	5,267,360	97,742	1,990,500	1,251,443	5,252,809	24,460,807	7,139,137	500,000	....	143,748	....
Provinciale	2,926,234	76,384	....	195,210	4,724,210	24,106,706	....	....	....	1,162	....
Union	8,365,585	259,907	8,500,000	3,167,775	28,496,239	51,444,870	3,412,561	291,818	1,331,120	2,543,514	....
Commerce	25,123,041	1,630,367	6,000,000	9,947,029	113,440,134	196,566,250	38,313,384	379,667	1,522,762	9,590,380	2,454,654
Royal	27,048,699	3,991,208	....	6,633,123	95,322,591	184,083,279	136,352,703	855,337	512,877	14,030,633	4,092,370
Dominion	6,266,164	1,428,124	1,500,000	1,979,576	23,626,887	53,816,377	2,756,980	1,124,832	771,159	1,459,072	12,404
Standard	4,580,865	377,419	2,000,000	945,729	15,594,862	34,675,250	....	736,299	935,532	2,570,619	414
d'Hochelaga	5,652,134	186,839	500,000	208,089	9,452,243	43,884,036	....	2,671	66,403	232,215	....
Imperial	9,137,740	629,2[illegible]	....	10,542,253	23,218,165	57,305,389	....	720,412	100	370,855	....
Sterling	1,199,455	34,8[illegible]	4,200,000	940,601	2,606,903	8,986,984	....	138,551	10,924	191,102	....
Weyburn Security	374,492	41,9[illegible]	....	28,642	883,063	1,390,418	....	....	....	22,180	....
Total	156,865,776	34,277,423	24,690,500	43,306,755	516,559,111	1,184,461,830	291,582,267	10,229,274	5,831,223	34,991,442	7,211,456

NAME OF BANK	Letters of Credit	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	Per cent last dividend	Loans to Directors	Average gold and coin held	Average Dominion notes held	Greatest amount notes in cir.
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	8,006,691	728,337	828,758	27,250,000	27,250,000	640,568,176	31,175,000	12	1,253,592	16,185,553	65,755,977	41,612,571
Nova Scotia	4,545,063	....	16,496	19,500,000	10,000,000	221,871,656	15,000,000	16	1,817,683	9,513,560	13,629,851	14,986,690
Toronto	817,335	....	1,673	6,000,000	5,000,000	94,400,454	10,000,000	12	827,568	1,006,733	6,103,549	7,195,653
Molsons	1,033,639	337,275	3,559	5,000,000	4,000,000	69,331,829	5,000,000	12	246,391	601,002	3,163,025	5,199,299
Nationale	4,000	777,808	45,401	400,000	2,999,630	50,330,388	5,000,000	6	690,352	384,564	920,669	6,038,550
Provinciale	....	48,664	8,415	1,500,000	3,000,000	36,586,987	5,000,000	9	....	179,303	269,397	3,476,604
Union	1,459,730	2,356	6,605	1,750,000	8,000,000	119,032,083	15,000,000	8	1,823,999	1,111,319	5,493,754	10,201,630
Commerce	10,434,913	....	10,161	20,000,000	20,000,000	455,412,746	25,000,000	12	4,841,477	16,235,000	21,830,000	29,165,780
Royal	25,150,293	....	14,794	20,400,000	20,400,000	538,887,913	25,000,000	12	1,260,813	10,900,778	25,462,257	31,020,200
Dominion	2,194,035	338,190	2,685	7,000,000	6,000,000	110,276,490	10,000,000	12	407,895	2,043,000	5,288,000	7,366,384
Standard	130,605	....	120,728	2,750,000	4,000,000	69,418,326	5,000,000	12	52,118	1,144,410	3,778,668	5,186,440
d'Hochelaga	623,013	....	1,507	4,000,000	4,000,000	68,809,154	1,000,000	10	406,601	552,780	2,204,530	6,717,944
Imperial	350,746	....	212,513	7,500,000	7,000,000	116,987,417	100,000,000	12	308,850	2,022,674	8,507,034	10,619,560
Sterling	5,600	....	26,129	500,000	1,235,000	20,076,076	3,000,000	8	290,907	75,518	849,887	1,199,455
Weyburn Security	....	57,001	13,119	225,000	524,560	3,560,444	1,000,000	5	21,476	18,957	129,747	465,397
Total	54,755,663	2,289,631	1,312,543	123,775,000	123,409,190	2,615,550,139	175,175,000	....	14,249,722	61,975,151	163,386,345	180,452,157

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign securities	Railway and other bonds and stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$
*Montreal	16,478,813	66,930,491	2,540,689	363,038	19,653,186	....	8,855,576	56,283,194	42,599,554	2,723,791	8,250,703	119,209,866
Nova Scotia	9,523,248	13,247,282	803,477	2,217,993	8,671,626	....	2,714,088	32,714,484	9,997,541	7,272,982	11,616,365	9,908,774
Toronto	1,007,102	6,324,416	367,935	49,381	4,296,112	....	940,798	16,071,481	2,687,995	1,436,186	8,222,661	....
Molsons	599,107	2,584,933	407,055	33,111	3,448,225	4,161	958,521	6,984,249	1,381,461	1,325,600	4,176,815	....
Nationale	401,020	662,003	360,150	108,024	2,055,250	998	763,431	3,694	6,945,458	4,882,276	444,557	....
Provinciale	188,103	278,601	377,422	19,459	2,314,076	1,837,096	203,538	3,721,823	2,705,563	1,698,895	5,575,358	....
Union	1,136,750	6,052,542	622,125	65,350	3,892,387	44,227	1,846,534	16,758,131	7,208,827	3,378,698	999,878	405,903
Commerce	10,052,086	22,332,792	1,749,655	1,592,715	20,183,802	1,805	9,622,039	41,739,869	15,949,844	7,791,283	31,733,257	19,413,890
Royal†	12,426,459	24,167,056	2,491,474	24,998,025	26,371,359	1,106	22,039,359	41,603,458	17,545,577	10,178,608	17,341,443	28,014,510
Dominion	2,078,570	5,222,965	566,945	84,048	5,432,298	21	1,217,889	17,244,315	3,933,111	2,441,755	5,605,634	2,916,700
Standard	1,291,918	8,562,380	279,741	13,157	3,423,274	100,000	682,969	8,640,829	2,306,592	133,416	2,984,292	....
d'Hochelaga	600,567	2,895,651	875,710	46,381	2,270,925	636,772	681,067	4,984,879	5,501,371	638,210	5,778,352	....
Imperial	2,033,693	9,490,716	736,293	37,812	4,199,436	492,822	8,180,188	11,022,605	3,820,877	259,431	4,315,441	2,150,000
Sterling	76,158	1,107,541	101,023	4,729	461,249	7,730	124,759	9,108,621	1,331,528	294,375	69,013	....
Weyburn Security	19,645	128,369	20,105	1,919	13,644	406,349	21,062	214,524	9,314	....	....	....
Total	57,913,239	169,987,738	12,299,799	29,634,142	106,686,849	3,533,087	58,851,798	267,096,156	123,925,013	44,455,506	107,113,769	182,019,643

NAME OF BANK	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$
*Montreal	222,101,209	18,515,143	22,811,813	2,240,901	579,262	966,515	9,800,000	8,006,691	1,320,000	12,000,000	1,337,003	606,067	44,173,515
Nova Scotia	77,158,328	14,465,102	3,519,182	630,996	67,632	140,842	7,765,602	4,545,063	499,871	5,000,000	....	173,535	222,654,023
Toronto	46,595,876	....	1,854,327	277,696	....	83,670	3,447,160	817,335	249,233	1,350,000	....	....	96,079,373
Molsons	39,375,723	....	1,417,153	645,448	112,967	65,495	2,917,052	1,033,639	195,000	1,500,000	228,015	364,091	69,757,828
Nationale	22,284,873	....	465,722	3,997,769	570,298	221,904	192,880	4,000	152,563	1,900,000	3,714,456	282,084	50,413,418
Provinciale	14,020,411	....	1,703,601	150,360	91,474	78,012	1,385,076	....	151,565	....	....	198,312	36,698,752
Union	63,529,106	2,133,672	3,561,679	610,993	361,249	406,697	2,266,048	1,459,730	396,000	300,000	2,149,744	19,367	119,605,647
Commerce	192,485,785	26,844,527	20,821,501	2,221,960	1,747,289	374,472	11,823,162	10,434,913	1,000,000	7,800,000	1,087,243	406,876	459,209,776
Royal†	138,566,161	114,660,092	8,090,294	2,351,902	1,679,550	397,697	13,597,347	25,150,293	1,020,000	7,500,000	252,346	535,630	540,979,734
Dominion	52,745,550	748,532	911,722	348,987	29,194	81,549	6,126,333	2,194,035	300,000	500,000	....	582,867	111,313,028
Standard	35,653,253	....	1,508,656	673,933	323,408	77,670	1,900,026	130,605	200,000	700,000	....	51,159	69,637,685
d'Hochelaga	35,116,817	....	1,615,028	155,504	557,728	606,935	3,651,643	623,013	209,145	1,800,000	....	94,893	69,340,602
Imperial	52,841,619	....	6,504,054	695,985	482,689	379,707	4,831,186	350,746	335,488	4,502,533	....	571,152	118,234,488
Sterling	4,909,742	....	395,430	257,063	14,451	20,827	754,907	5,600	66,000	....	1,032,179	122,589	20,265,524
Weyburn Security	1,993,147	....	63,052	117,739	126,637	64,696	225,425	....	24,254	....	....	74,007	3,523,896
Total	999,377,600	177,367,068	75,243,219	15,377,236	6,743,828	3,966,688	70,683,847	54,755,663	6,119,119	44,852,533	9,800,986	4,082,629	2,631,887,289

**Of this deposit $9,502,533 is in gold coin; the balance is in Dominion notes.

*The business of the branches of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies in compliance with legal requirements of the respective countries, and the figures are incorporated in the above general statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank of Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

DEPARTMENT OF FINANCE, OTTAWA, MARCH 10, 1924.

Iron and Steel Tariff Has Not Kept Pace With Changes in Conditions

President R. M. Wolvin at Annual General Meeting of British Empire Steel Corporation Outlines Company's Fiscal Needs—Labour Situation Now Better, He Says, and General Outlook Encouraging — Production of Properties Increased During 1923.

OVERHEAD EXPENSES ARE BEING REDUCED

At the annual general meeting of the shareholders of the British Empire Steel Corporation, the President, Mr. R. M. Wolvin, reviewed the progress of the company during 1923 and discussed the outlook for the coming year. The year 1923 would have been reasonably satisfactory, said Mr. Wolvin, had not operations been interfered with by interruptions due to labour troubles. On this point Mr. Wolvin said "I believe that there is a much better understanding between the corporation and its employees at the present time than has existed for some time past."

The president discussed at length the protection afforded the company through the customs tariff of Canada. He pointed out that pig iron and the primary forms of steel are protected by duties at specific rates per ton. Changes in iron and steel prices have been such as to reduce the value of this protection by about one-half. The failure to adjust rates of duties to conform with economic conditions has been a serious matter for the corporation.

The general outlook to-day is encouraging, said Mr. Wolvin. He referred to economies that had been effected in operations, the overhead expenses of the corporation having been reduced by about $400,000 a year.

Mr. Wolvin addressed the shareholders as follows:

As president of your company, I take great pleasure in moving the adoption of the report of the Board of Directors, copies of which are now before you. This report covers the operations of the constituent companies for the calendar year 1923, which is the third accounting period in the affairs of your corporation.

The year 1923 under all conditions would have been reasonably satisfactory had our operations not been interfered with by interruption due to labour troubles. In February we experienced a strike in the steel plant at Sydney and suffered for a considerable time from sabotage all through the various departments. On June 26th the steel plant ceased operations following a general strike. When the strike was called there were 2,774 men at work on the day shift and 1,097 on the night shift. The following day there were 1,037 men on the day shift and 1,134 men on the night shift. On account of intimidation and violence these numbers diminished until militia and provincial police arrived. This strike was called by a union, of which the number of members in good standing at the time was about one-quarter of the workmen employed. After the restoration of order by the military and provincial forces, work at the steel plant was gradually resumed.

Agreement Was Violated

On July 3rd the miners at Sydney Mines, Stellarton, and Glace Bay, in direct violation of their contract, ceased work as a protest against the employment of provincial police and troops for the maintenance of order at Sydney, when the pumpmen and fan tenders were called out and volunteers were prevented from taking their places until protected by the military.

Work at the coal mines did not commence until after the 17th of July, and then only by the intervention of John L. Lewis, president of the International organization of the United Mines Workers of America, who removed the executive officers in District No. 26 and placed in charge of that district new provisional officers appointed by International Headquarters and with instructions to carry out the contract existing between their organization and our companies.

During the fiscal year under review your corporation produced 5,105,695 gross tons of coal, compared with a production of 4,254,874 tons in 1922. Except during the period when the men were on strike, the mines were operated practically to capacity at all points until September 1st. From September 1st until the end of the year the demand for coal was not sufficient to take the maximum output of the properties and it was necessary to curtail production.

Production of Steel

The operations of the steel plant at Sydney were practically uniform all through the year, with exception of the time that the plant was closed down due to labour troubles. When the plant was in operation there were three blast furnaces producing pig iron and the balance of the plant was engaged on the various products which we manufacture. The production of pig iron during the year was 277,681 tons, as compared with 120,789 tons during the calendar year of 1922. The production of steel ingots at Sydney in 1923 was 297,988 tons, as compared with 139,549 tons in the year 1922. The semi-finished steel further manufactured at New Glasgow plants amounted to 63,220 tons as compared with 31,439 tons in the year 1922. The steel plant at Sydney Mines was idle throughout the year.

The Eastern Car Company plant enjoyed a fair amount of business during the year 1923 and the Halifax Shipyards, while not engaged on the construction of any new ships, had a larger volume of general ship repairs.

Your company produced 748,387 gross tons of iron ore at its Newfoundland mines in the year 1923 and shipped 208,985 tons to Germany, 65,575 tons to England, 49,840 tons to the United States, and 413,174 tons to Sydney, Nova Scotia, a total of 737,574 tons. The shipments to Germany in the year 1922 amounted to 724,862 tons. The reduction in German shipments was brought about by the occupation of the Ruhr and inability of your customers in Germany to receive any pay for the ore.

New Colliery to Operate

During the year ample expenditures were made for the upkeep of the properties of the several companies, as well as provision for usual operating reserves. The work of sinking the shaft at O'Neill's Point has been completed and the bankhead and equipment is being installed. This important new colliery will be in operation about July next. In addition to reducing the underground distance to where coal is mined by about one and one-half miles, it is expected that this colliery, commencing July 1st, will give an increased output of about 400 tons per day, gradually reaching an increased production over old No. 1 of 1,000 tons per day.

Labour Conditions at Plants

I have mentioned generally the difficulties and loss of production suffered during the year on account of labour troubles. While these interruptions were very expensive to your companies and resulted in decreased earnings, I believe that there is a much better understanding between the corporation and its employees at the present time than has existed for some time past. Since the close of the year, after a period of idleness which was not attended by any hostility or disturbance, your officers negotiated a new wage agreement and contract with the United Mine Workers, effective from January 15th last to January 15th, 1925, which gave the miners an increase in wages. This contract is a binding contract upon the United Mine Workers of America for the period mentioned and I believe will be lived up to. I also feel that under this new contract we can depend upon a better operation of our properties than we have had heretofore.

Question of Customs Tariffs

The protection afforded to your company through the customs tariff of the country means much to you as shareholders and very materially affects the markets and prices obtainable for the products of the constituent companies. I would like to call your attention to some matters in connection therewith.

Pig iron and the primary forms of steel, when imported into Canada, are subject to a payment of customs duty at specific rates per ton. When these specific rates were established, they bore a relation to the value of the several commodities and provided a certain amount of revenue and afforded an amount of protection which, although less than the average on all classes of merchandise, was much greater than it now is. Changes in economic conditions have resulted in the cost or value of such imported steel and iron articles being doubled and the power of the dollar as expressed in the specific tax per ton, as a producer of government revenue and as a means of protection to your industry, has decreased about one-half.

Under the present tariff the duty on pig iron from the United States is $2.50 per ton. The amount of duty collected in the years 1911 to 1915, inclusive, varied from 18 per cent. to 20 per cent. of the value and averages over 19 per cent. In the year ending March, 1921, it was just above six per cent. In the four years of 1918 to 1921, the average was 7½ per cent. and last year, due to a slump in the price of pig iron, it rose to 10½ per cent. During the years of the lowest average, your corporation was protected in its sales, however, by a high premium upon United States funds.

Other Besco Products

Steel billets are much more highly manufactured than pig iron, but they pay the same duty per ton, and, consequently are imported on a much lower ad valorem basis. The rate of duty from 1911 to 1915 was about 13 per cent. In the years ending March 31, 1918, and 1919, it was 3.6 per cent. and 3.4 per cent. respectively. In 1921 it was 3.8 per cent. and at present it is less than 3 per cent.

Wire rods are an important factor in your steel production. These rods are admitted to Canada upon the payment of $2.25 per ton from Great Britain and $3.50 per ton from the United States and other countries. In 1915, under this tariff, the duty collected amounted to 16 per cent. At present the duty collected amounts to about 8½ per cent.

This same condition applies to nearly all steel products and it is only proper that you, as shareholders of this corporation, should know the reasons that may be advanced for a revision of the customs tariff to readjust these specific duties, which have lost much of their value, both as producers of revenue and as an advantage to Canadian producers, without any definite action on the part of the government. The duties on pig iron, steel billets, the heavier weights of structural steel and the larger sizes of plates, were always much lower than the average rates upon other dutiable goods, but these inequalities are far less serious than the injury that has developed through the neglect of any provision to adjust them to the change in the values of these commodities which has occurred during recent years.

Adjustment on Slack Coal

A similar adjustment is necessary in respect to slack coal entering the country from the United States. This duty was not the same as the duty imposed upon run-of-mine coal, probably because of the fact that slack coal at that time was considered to be almost a waste product at the mines in the United States and of comparatively little value as fuel for industrial purposes. During the last fifteen years the modern steam power plants that have been built in this country have, generally speaking, been equipped with stockers providing for the use of slack coal. To the end that a larger development of your coal properties might be made and the country might be more self-contained as to its coal supply, there is no question but that the duty on slack coal should be the same as on run-of-mine coal. There is very little difference in their market value today.

Your coal mines have been largely improved since the incorporation of this company. This has been done by overtaking the development work neglected during the war, improving power plants and other equipment, and, to-day, your coal properties have an annual producing capacity about one-third greater than they had at the time this company took over the operations of the properties.

Canada's Fuel Problem

During the last two years there has been much study of Canada's fuel supply by the Dominion Fuel Board, and committees of both Houses of Parliament. The Government has intimated that legislation will be introduced at this season of Parliament with reference to supply of Canadian fuel. This is a most important matter for the people of Canada and carries with it the possibility of a proper incentive to a much larger development of your company's large resources of undeveloped coal. There were 15,511,201 tons of bituminous coal and 4,903,707 tons of anthracite imported from the United States in 1923. A proper national policy would very much reduce these imports and keep in Canada each year many millions of dollars that now are sent to the United States.

Outlook for Future

The general outlook to-day is very much the same as a year ago. Your corporation has about the same amount of unfilled orders and we have an increased producing capacity. Business conditions through Canada should be better than last year. There is still a large amount of grain in the West that has not been marketed and which should put a large amount of money into circulation in the country and this, with an increased immigration that is already evident, should bring considerable improvement in our general conditions. We are paying some increased wages in the coal mines, but we expect that we will have improved operating conditions, and, as a result, lower costs of production. Your officers have been giving most careful study to all economies possible and during the last six months have reduced the overhead expenses of your organization by about $400,000 per year. The general outlook is encouraging.

I wish to take this opportunity to express my appreciation of the loyalty and valuable services rendered by the officials of the several companies and the heads of the various departments during the past year.

It is also proper that I should include in this expression the great majority of the employees, who, I am sure, are not less worthy of the respect and confidence of the shareholders. It has been and will continue to be my endeavor to improve the relations between the companies and the men by every legitimate means consistent with my duty to the shareholders and the public.

Orders from Germany

In reply to a question from a shareholder, the president stated that the company has been making practically no profit on its ore sales. The occupation of the Ruhr has curtailed shipments to Germany, but there was now the prospect of a resumption of shipments to that country, and in fact, orders had been received during the past week for ore to be supplied to German firms. The corporation was looking forward to the time when the ore operations would form a very profitable part of the corporation's business.

The Board of Directors

The shareholders elected the following as directors of the company for the ensuing year:

Hon. C. P. Beaubien.
Hon. J. P. B. Casgrain.
Sir A. Trevor Dawson, Bart.
George F. Downs.
Rt. Hon. the Viscount Furness.
Richard F. Hoyt.
Rt Hon. Lord Invernairn.
Maj. Gen. Sir Newton Moore, K. C. M. G.
Hector McInnes, K. C.
J. E. McLurg.
F. W. Ross.
W. D. Ross.
J. F. M. Stewart.
Galen L. Stone.
Benjamin Talbot, J. P.
R. M. Wolvin.

Included are two new directors, George F. Downs and J. E. McLurg. The resignation of D. H. McDougall was accepted.

ROBB ASSURES STABLE TARIFF UNDER BUDGET

Manufacturers Wondering What Adjustments Will be

From Our Own Correspondent

OTTAWA.—It begins to look as though the advocates of what has been called tariff stability were winning out. It would be a mistake to make positive predictions of what the budget will contain in respect to tariff intimations; but the feeling now is that while some reductions in duties may be announced, they will not be drastic.

Acting Minister of Finance Robb clearly intimated the general line of action when he told a deputation from Hamilton and other industrial centres that no industry would be hurt. Mr. Robb is conscious that some of the Western Progressives may be disappointed over the government's tariff policy, but the general opinion is that the men from the West will probably find some compensation in the government's general policy.

Some of the Progressives think that if they don't get appreciable tariff reductions this session they will not get them next, for they hold that the chances for them will be decreased in proportion as a general election draws near. They contend that the government will not take chances on losing ground in Ontario and Quebec just before a general election comes around.

As for Mr. Robb's general attitude, the feeling is that being a manufacturer himself he is of the opinion that the tariff in its general character will have to be maintained, but that this should not prevent the making of certain adjustments. It is now probable that "adjustments" rather than "reduction" will be the more popular term.

Manufacturing Capacity In Excess of Demand

NEW YORK.—While the Washington situation undoubtedly has its effect in tending to cause hesitation and to induce some slowing up of business it is not, in the opinion of Hayden, Stone & Co., the main reason for present conditions. This is to be found in the fact that manufacturing capacity in most lines is still well in excess of the average consumptive capacity. As a result, a few months' operations at full capacity quickly produces a surplus of goods and then operations have to be curtailed until this surplus is disposed of. That is the condition to-day. It is now quite generally realized that while retail distributors are not unduly loaded, supplies at manufacturing points are quite large; the public quickly appreciates this and with the knowledge that large supplies are available, confines its purchases to current needs. At the moment, this tendency is emphasized by political consideration and probably the buying is, if anything, sub-normal.

CANADA'S NATIONAL PARKS

The Canadian national parks comprise an area of about 6,000,000 acres. They are sanctuaries for wild fowl, deer, mountain sheep and goat, moose, elk, bear, and buffalo, and a tourist wonderland of forest, well stocked streams and lakes, glaciers, hot springs, waterfalls, and mountains.

May Make 5,000,000 Automobiles in 1924

NEW YORK.—Announcement that the automobile production of the United States in the first two months of the current year is 25 per cent. greater than in the same months of last year suggests that the 1924 output may approach the former high record of 4 million in 1923.

The number of automobiles produced in the United States, says the Trade Record of The National City Bank of New York, which was only 4,000 in 1900, jumped to 25,000 in 1905, 187,000 in 1910, nearly one million in 1915, over two million in 1920, 4 million in 1923, and may approximate 5 million in 1924. The total number of machines turned out from 1900 to the end of 1923 is, in round terms, 20 million, of which about 15 million are now in use in the United States. A million have been exported, and the other four million have presumably "gone where all good autos go," to be melted down and turned again into new machines.

NO ONE KNOWS YET TRAM POWER FUTURE

Stormy Battle in Offing to Shoot More Holes in Company's Tattered Flag

From Our Own Correspondent.

MONTREAL.—Stormy as has been the career of Montreal Tramways and Power Company during the past year it promises to embark upon an even more tempestuous journey during the next few weeks. The battle for control of the company, which was won by the group in opposition to the former directorate of E. A. Robert and his associates, has apparently become a fight for control of its assets. As these include 2,000 shares, or the majority of the stock of Montreal Tramways Company, big interests are at stake in the battle.

This week all of the so-called Robert directors resigned from Tram Power's board, including the company's brand new president, E. A. Robert. At first this seemed like a victory for the opposition group, but it is not certain but that the resignations were in the nature of a tactical move on the part of the Robert group, a jockeying for position as it were. It would seem that the aim of the Robert group will be to throw the company into liquidation by pressing for payment certain claims that some of Mr. Robert's other companies have against Montreal Tramways and Power. These include claims of the Imperial Trust Company, and of Montreal Public Service Corporation. In the case of liquidation, the Robert interests would be in a favored position, being the largest creditors of Tram Power, and would then exercise all pressure to obtain control of the 21,000 shares of Montreal Tramways stock owned by Tram Power. Whoever gets control of this stock will have to be prepared to pay off the recent issue of Tram Power bonds, which is secured by the stock. The bonds are redeemable at 101. However, it is felt that the money could easily be raised for this purpose.

It is suggested that Montreal "Power" might be willing to acquire the power and light distributing subsidiaries of Tram Power. This, however, is not assured. "Power" has found it worth while, for politic reasons, to have competition in its field.

The entire structure of the companies is so entangled that no accurate forecast of the outcome of the struggle can be made. Present events certainly do not look optimistic for shareholders.

The Grain Movement

OTTAWA.—Preliminary figures showing the receipts at the head of the lakes, also Vancouver, B.C., for the period from September 1, 1923, to March 21, 1924.

	Ft. William and Pt. Arthur	Vancouver, B.C.
Wheat	237,966,203	33,384,645
Oats	28,835,908	156,606
Barley	11,270,032	25,298
Flax	3,543,628	....
Rye	4,269,985	188,838
Totals	285,885,756	33,755,387
Same period 1923	249,735,596	12,886,311
Increase over last year	36,150,160	20,869,076

FRAUD CHARGE OUT OF WEARITE FAILURE

Crown Attorney McRuer, Toronto, has been investigating Wearite Textile, 821 Queen St. E., Toronto, for some time and as a result is seeking Harold Edmondson, former general manager on a charge of fraud and conspiracy. The company is defunct.

BESCO DIVIDENDS MAY BE OFF FOR LONG TIME

Directors May Try to Build up Strong Working Capital Position

From Our Own Correspondent.

MONTREAL. — British Empire Steel Corporation only fulfilled market prophecies by passing all preferred dividends. There was a hint in the statement of the directors concerning their action that resumption of dividends might not be unduly delayed. But the wise investor will not spend his renewed dividends until they are declared. Now that the directors have taken the step expected of them, and have stopped paying dividends, they may take the conservative action of deferring these dividends until British Empire Steel has built up a strong working capital position, or until a more definite idea of actual earning power is obtained.

Passing of the dividends affects stock to the total par value of $19,785,800. This total is made up as follows: British Empire Steel Corporation 1st preferred, $7,640,200; Dominion Steel Corporation, preferred, $4,729,000; Dominion Iron and Steel Co., Ltd., preferred, $3,665,200; Dominion Coal Co., Ltd., $2,803,500; Nova Scotia Steel and Coal Co., Ltd., $821,000; and Eastern Car Co., Ltd., $126,800. The reason for this action was given as the shut down of the steel plant and coal mines during the first two months of the year.

The directors' statement says in part:

"The Steel plant at Sydney and all of the coal mines of the Corporation were idle from January 16 to practically March 1, while negotiations were being continued for a new wage agreement with the coal miners.

"The first quarter of the yearly operations of these companies is generally one in which losses may be shown on the balance sheet due to the mining and banking of coal and ore for future shipment, and on which no profits are included until sold. This shut down in January and February last carried with it extraordinary expenses of maintenance and the usual overhead and interest charges, which have affected the financial results of the first quarter. A shut down in the winter does not have as serious an effect upon the annual earnings of the companies as a shut down occurring during the water shipping season, and no further interruption of operations is expected this year. It is hoped that the steel and coal production for the year 1924 may exceed that of 1923 and the annual results show earnings accordingly."

Cotton Market in an Uncertain Situation

NEW YORK.—In reviewing the international cotton supply, J. Howard Ardrey, vice-president of the National Bank of Commerce, in New York, writing in the April issue of Commerce Monthly, says:

"To-day the cotton textile industry of the world faces a situation in the market for raw cotton without parallel in its recent history. Despite the decline in prices which has taken place since January, cotton now is relatively high when measured in terms of the general level of commodity prices and it is also high in relation to the prices of most competing fibres. In addition the price is subject to such wide fluctuations that an abnormal hazard has been introduced into those businesses dependent wholly or partly upon cotton

Says Canadian Mills Good Quality of Wood

Editor, The Financial Post,

Sir: Under date of March 14, 1924, a letter of Frank J. D. Barnjum's appeared in the press, in which he says:

"When Americans contract for pulpwood for export they stipulate that it shall be absolutely sound wood, which necessitates the wastage of 50 per cent. of the stand. As our wooded areas exist in Canada to-day, subject, as they are, to numerous insect attacks, fungi, etc., they will run at least 50 per cent. diseased. Consequently, in cutting pulpwood for the American market, 50 per cent. of the stand is left in the woods to blow down and not only goes to waste but adds materially to the alarming fire hazard. Canadian mills, on the other hand, utilize practically the entire stand. Hence an embargo is a conservation measure as well as a sound fiscal policy."

The facts are that any mill, Canadian or American, purchasing wood that is not to come off its own limits, specifies and insists on sound stock and that any pulpmill owner, be he American or Canadian, cutting from his own lands salvages his burnt or bud killed wood as far as it is economically and practically possible to do so. The impression Mr. Barnjum's statement conveys, that Canadian mills use wood of an inferior quality to that used by American mills and freely purchase same in the open market, is false and misleading.

Ralph P. Bell,
Boulderwood, Halifax, N.S., March 24.

CURIOSITY PAYS
Ask about the company in which your fire insurance is carried. You have a right to KNOW.
It may be a good company. It IS a good one when it is the—
ESSEX & SUFFOLK EQUITABLE INSURANCE SOCIETY LIMITED
Montreal Winnipeg Vancouver
Great Resources—Agencies Open

After the Fire
is the wrong time to discover the instability of the company in which you are insured.
ATLAS Protection Means Full Security
Ask Your Agent
ATLAS ASSURANCE COMPANY
Montreal LIMITED, OF LONDON Winnipeg

Featuring Insurance

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Special Section, 17-24 PUBLICATION OFFICE: TORONTO, APRIL 4, 1924 Special Section, 17-24

TRUSTEES LIABLE FOR LOSSES FROM LAPSED POLICIES

Must Exercise Same Care as in Administering Own Affairs

DECISIONS OF COURTS

Mortgagee, Holding Fire Insurance Policy, Must Not Lapse or Reduce It

A number of cases tried in the courts during the past year emphasize the extreme care which those holding insurance policies should exercise in paying premiums, canceling policies, etc. Possibly the outstanding case was that of Steve Molesky and others, and the Canada Life Assurance Company. In summarizing the case, Mr. Justice Taylor, of the Saskatchewan Supreme Court, said:

"This action was tried before me in Regina in December last. The plaintiffs claim against the defendant company for the amount of an insurance policy which had been issued by the British Colonial Fire Insurance Company on a dwelling and its contents. The plaintiffs applied for a loan on mortgage. The mortgage required them to assign the insurance on the buildings as further security, and put the mortgagees in control of the insurance. Three different policies were forwarded to the defendant company, there being several buildings, including an old house, on the half-section mortgaged. Through a very stupid error of some official in the defendant's employ, he assumed that the house recently erected by the plaintiffs, worth at least $9,000.00, was over-insured, and, without the consent, permission or knowledge of the plaintiffs, cancelled the policy. It covered not only the house, but the contents thereof. Some rebate of insurance premium was credited by the defendant in the statement of the disbursement of the loan, but they were never advised, and should never be expected even to suspect that this policy had been cancelled. The only explanation suggested was by the defendant's own agent, that the rebate referred to the policy on the old house. The house burned down. The other insurance company settled, but the British Colonial Fire Insurance Company naturally set up the cancellation and surrender made by the defendant company, and refused to recognize liability. The plaintiffs claim from the defendant the amount of the policy."

Erroneous Valuation

The evidence revealed that the house had cost approximately $10,000 and was valued by the insurance adjuster at $9,896.70. The defendant company's inspector valued the house erroneously at $1,800, the apparent reason for canceling part of the insurance. When this was done, a return premium of $32.55 was received by the defendant and credited to the loan account, a statement being sent to the plaintiffs. The latter, however, did not know that the policy had been cancelled.

Judgment was given to the plaintiffs on the grounds that but for the defendants meddling with this collateral security furnished to them by the mortgagor, it would have stood good to the plaintiffs as a valid and subsisting security for $3,500.00 after the loss occurred.

A similar warning to agents against neglecting to protect property promptly when they receive a premium is contained in the judgment given by Mr. Justice Mowat at Toronto to Thos. McIlveen in an action against Wm. Colvin. The judgment was for $1,000 for a loss on machinery at the plant of the Vulcanite and Radiator Company. The plaintiff had paid the premium to the defendant on Nov. 15, 1922, and the latter had not turned it over to the company, causing the policy to lapse.

Still another warning, this time to executors of estates, trustees, etc., is contained in a lawsuit reported recently in THE FINANCIAL POST. The judgment given in this case at Barrie, Ont., by Judge Vance reveals that executors who neglect to keep up insurance on property under their care are liable for loss in case of fire. Samuel Gamble, a farmer, had died, leaving his wife a life interest in a farm with an estimated value of $14,000. Five years later the barns were destroyed by fire. It was found that the two executors had allowed a fire insurance policy for $2,100 to expire. When the accounts were later submitted to the Surrogate Court, objection was raised to allowing payment to the executors for rebuilding the barns. The judge assessed the executors $1,800 for their neglect.

These decisions make it clear that those holding property in trust for others in any form must exercise the same care in insurance matters as if it were their own property, or leave themselves open to heavy claims for damages.

LIVE STOCK RISKS LOWER

Live stock insurance, which showed a reduction in 1922 from the former year, was again lower last year. The premiums were $68,495, and the losses $42,210.

	Net prems.	Net losses
	$	$
General Animals	18,892	9,907
Hartford Live Stock	35,541	19,284
Yorkshire	14,062	13,069
Totals	68,495	42,210
1922 Totals	87,934	60,015

Electrical Machinery Shows Lower Profits

Substantially lower premiums and higher losses were reported in electrical machinery insurance during the past year. The premiums were $70,281 and losses $25,819 in 1922, but last year they were $41,063 and $32,173 respectively.

	Net prems.	Net Losses
	$	$
Boiler Inspection	9,680	7,907
Gen. Accident of Canada	517	None
Maryland Casualty	1,555	None
Royal Indemnity	977	7,347
Travelers Indemnity	28,334	16,919
Totals	41,063	32,173

HEAVY FIRE LOSS RATIO IS FORCING INCREASED RATES

Amount at Risk is Greater By 365 Millions

The past year has been a trying one for the fire insurance companies. The heavy losses, which set in following the depressed business conditions in 1921 and continued in 1922, showed little sign of abating. While the exact loss ratio for the year cannot be determined until the statement of the Dominion Department of Insurance covering premiums earned is completed, the department's abstract, published in this issue, indicates clearly the present unsatisfactory conditions. The total net premiums written in Canada by all companies in 1922 were $48,168,310 and the amount at risk at the close of the year was $6,348,637,436. Last year these were increased to $50,218,192 and $6,713,750,805 respectively. At the same time the total net losses decreased from $32,848,020 in the former year to $31,860,107 in the latter. This, it is true, indicates fewer losses, but the change is much smaller than was hoped for. The total amount at risk increased approximately 365 millions to $6,713,750,805.

Losses Slightly Lower

The gross policies new and renewed by the Canadian companies increased slightly to $1,446,760,076 but the gross and net premiums, amount at risk and losses, were somewhat less than in the previous year. In the case of the British companies, small increases were general except in respect of losses. During the year eight companies in this class discontinued writing fire business in Canada, a probable reflection of the unprofitable conditions. The foreign companies also increased their gross and net premiums, gross policies new and renewed and amount at risk by small margins, while they incurred slightly lower losses.

As usual the losses varied widely with the individual companies. In a number of cases the ratio came close to 100 per cent. but only in six companies did the losses actually exceed millions to $6,713,750,805, according to figures supplied by G. D. Finlayson, Superintendent of Insurance.

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(Continued on page 24)

PLATE GLASS LOSSES INCREASED IN 1923

Ten New Companies Were in Field, But Premiums For Year Were Lower

The losses on plate glass insurance were higher in 1923 than in the previous year. While premiums written were only $661,947 as compared with $708,748 in 1922, the losses totaled $232,782, a small increase from $214,555 in the former year. The number of companies in the field increased from 29 to 39.

	Net prems.	Net losses
	$	$
Alliance Assurance	3,725	2,330
Autocar	275	50
Canada Accident	27,278	7,289
Canadian Surety	10,268	3,699
Casualty Co. of Canada	53,172	18,821
Dominion Gresham	4,663	3,774
Dom. of Can. Guarantee and Accident	37,334	13,549
Employers Liability	1,184	62
Fidelity and Casualty	7,915	3,915
Fidelity Insurance	2,051	326
Gen. Accident of Canada	19,815	5,491
General Animals	26,427	10,095
Globe Indemnity	5,224	562
Guard. Ins. Co. of Can.	12,967	4,791
Halifax Fire	15,546	2,373
Hartford Accident	3,889	1,876
Imperial Guar. and Acci.	5,944	2,267
Indemnity Insurance	4,424	1,279
Law, Union and Rock	9,528	3,299
Lloyds Plate Glass	6,380	6,538
London and Lancashire Guarantee and Accident	28,114	9,544
London Guar. & Accident	3,599	477
Maryland Casualty	7,944	3,042
Merchants and Employers	10,802	5,599
Mount Royal	30,484	17,832
National Provincial	17,904	5,588
New York Plate Glass	17,286	6,138
North Amer. Accident	25,528	8,389
Northern Assurance	38,187	11,315
Norwich Union	27,741	8,469
Ocean Accident & Guar.	106,727	34,970
Railway Passengers	28,971	9,788
Royal Indemnity	793	669
Scottish Metropolitan	15	None
Travelers Indemnity	16,446	5,250
U. S. Fidelity & Guar.	12,426	4,804
World Marine	16,079	2,280
Yorkshire	14,854	6,292
Zurich	38	None
Totals	661,947	232,782

LARGER VOLUME OF ACCIDENT BUSINESS WRITTEN IN 1923

Sickness Policies Also Increase; Loss Ratios Practically Unchanged

The favorable experience in 1922 of the companies issuing sickness and accident insurance was duplicated again last year. The volume of premiums from sickness, accident and combined sickness and accident showed a satisfactory increase over the previous year and the losses were correspondingly higher, the ratio of losses to premiums remaining almost the same.

As in the case of fire insurance, the number of companies writing these classes shows an increase. During 1923 there were 36 companies issuing sickness policies as compared with 34 the previous year. There were 41 writing accident insurance, an increase of 5 from 1922, while the number writing combined sickness and accident remained the same.

The tendency to underwrite multiple lines shows itself in the larger number of companies which issue these classes of policies and also fire, sprinkler leakage liability, etc. This is likely to act as a stabilizing factor, as at a time like the present, when fire insurance is producing a loss for many companies, special effort may be directed to the other classes and produce satisfactory profits.

Sickness Insurance

	Net Prems.	Net Losses
Alliance Assurance	9,814	12,528
Autocar	67	None
Canada Accident	30,452	16,659
Car and General	1,718	2,082
Continental Casualty	227,501	150,158
Dominion Gresham	26,143	16,176
Dom. of Canada Guar. and Accident	199,618	107,929
Employers Liability	75,261	60,175
Fidelity and Casualty	73,694	58,048
General Accident Co. of Canada	34,555	25,267
Globe Indemnity	122,540	61,716
Guardian Insurance Co. of Canada	16,345	12,943
Hartford Accident	5,264	3,397
Imperial Guarantee and Accident	108,769	59,307
Imperial Underwriters	382	680
Indemnity Insurance	2,260	635
Law, Union and Rock	4,866	2,597
London and Lancashire Guar. and Accident	59,763	37,033
London Guarantee and Accident	46,320	19,823
Maryland Casualty	33,504	25,331
Merchants and Empl.	2,052	1,167
Metropolitan Life	20,276	10,434
North American Acci.	29,464	19,677
Northern Assurance	26,799	18,822
Norwich Union	56,807	37,476
Ocean and Accident and Guarantee	75,574	40,084
Preferred Accident	4,218	3,546
Railway Passengers	29,174	14,383
Royal Exchange	4,133	3,511
Royal Indemnity	2,525	3,187
Scottish Metropolitan	61,421	54,759
Sun Insurance Office	3,841	2,289
Travelers Indemnity	119,766	79,644
Union of Canton	50,181	32,950
United States Fidelity and Guaranty	40,995	33,659
Yorkshire	28,486	26,626
Totals	1,634,544	1,004,698
1922 Totals	1,584,872	973,403

Accident Insurance

	Net Prems.	Net Losses
Alliance Assurance	11,467	17,212
Autocar	115	None
Canada Accident	54,448	20,464
Car and General	6,985	1,879
Continental Casualty	330,268	88,449
Dominion Gresham	27,134	9,081
Dominion of Canada Guar. and Accident	327,150	140,866
Employers Liability	136,099	58,162
Fidelity and Casualty	59,793	16,993
Fidelity Insurance	22	None
General Accident of Canada	42,760	23,258
Globe Indemnity	174,691	73,996
Guardian Insurance of Canada	16,705	4,967
Hartford Accident	9,946	27,616
Imperial Guarantee and Accident	163,973	63,800
Imperial Underwriters	398	33
Indemnity Insurance	3,129	305
Law, Union and Rock	9,075	12,368
London and Lancashire Guar. and Accident	92,326	54,263
Maryland Casualty	27,412	20,700
Merchants and Empl.	2,698	185
Metropolitan Life	31,350	10,710
Motor Union	2,114	2,503
North American Accid.	20,867	11,799
Northern Assurance	28,774	12,677
Norwich Union Fire	55,174	21,240
Ocean Accident and Guarantee	187,611	66,059
Preferred Accident	9,837	3,371
Railway Passengers	45,644	9,436
Royal Exchange	12,367	9,060
Royal Indemnity	4,004	659
Scottish Metropolitan	62,031	29,122
Sun Insurance Office	6,882	4,157
Travelers Indemnity	29,025	16,950
Travelers Insurance	364,606	239,652
Union of Canton	44,479	13,086
United States Fidelity and Guaranty	41,945	12,039
World Marine	21	None
Yorkshire	32,929	12,020
Zurich	395	None
Totals	2,567,557	1,144,035
1922 Totals	2,425,201	1,029,827

Combined Sickness and Accident

	Prems.	Losses
Gen. Accident of Can.	92,806	54,220
London Guar. and Accid.	28,025	20,883
Loyal Protective (a)	257,681	157,469
Merchants Casualty (b)	616,481	314,161
Merch. and Employers (c)	53,337	22,572
North Amer. Accident	20,695	5,696
Protective Association	293,633	167,664
Ridgely Protective (d)	80,182	49,508
Western Casualty (e)	37,797	10,635
Totals	1,480,637	802,808
1922 totals	1,282,269	724,753

Struggle of Life Companies for Bigness Brings Its Evils

Canadians Lose Heavily From Lapses and Surrenders—Was Almost 50 Per Cent. in 1922—Benefits Are Better Policies

By B. W. N. GRIGG,
Mutual Life Assurance Company of Canada.

The struggle for existence and the survival of the fittest are familiar expressions to-day and owe their origin to the authors of the theory of evolution. The effort that a plant, an animal, or a race of men living in competition must exert in order to maintain life is called the struggle for existence. It is a principle that is in operation everywhere, even among merchants, manufacturers and financial institutions. The game of football on the college campus is not more eagerly and ardently fought out than competing business men will struggle for first place.

There are about three hundred old line companies doing business on this continent. Practically every one is officered by alert and ambitious men anxious to leave footprints on the sands of time that will not wash out. The result is an intellectual struggle that is not bitter and yet is intense. It is a war of keen intellects with one dominating idea—to excel.

Special Policies

One aim of the various companies is to put into the hands of their representatives a contract that will outsell that of any competitor. Moreover, special policies with special premiums and guarantees are being issued from time to time, each just a little more liberal in some particular than its predecessors. The contest is like that of the participants in a rugby match. Life insurance is a man's game, good humored but exceedingly strenuous.

There have been good results from the struggle for existence which has lasted more than sixty years on this continent. Defects in policy contracts have been exposed and remedied while new and valuable privileges have been introduced from time to time. Prompt payment of claims, indisputability, conditions regarding occupation and traveling, days of grace for payment, guaranteed values, automatic non-forfeiture, all these and other improvements have been made by virtue of the struggle for existence that has been going on among the companies.

Bring in Evils

But competition has produced some compensating evil effects.

Henry Moir, the noted actuary, says: "When any company, for advertising purposes, offers inducements to new applicants which may enable them to retire with as much advantage to themselves as if they had stayed there, the company is surely adopting a dangerous practice." This indicates that there is a danger involved in liberalizing the policy contract too much. In fact, it might be possible for surrender values to be made so attractive that there would be a run on them, in case of a financial panic.

Nor is competition in the payment of dividends an unmixed blessing. To meet the competition of older companies, the younger are tempted to strain themselves to the danger point. The survivorship dividends so much in vogue a few years ago were much the safer for the younger and weaker institutions. The annual dividend system tends to keep the funds of a company down to the minimum and does not allow for the unexpected.

The struggle for existence has also introduced other features than life insurance, and we have life insurance policies that "the fathers" of insurance would scarcely recognize as life insurance contracts at all. They are as many headed as the weird creature referred to in the Apocalypse "having seven heads and ten horns and on each horn a crown." Every new feature is, of course, first denounced and then gradually adopted and defended by all.

But the struggle for existence is not only a struggle for new and improved plans but a struggle for supremacy in business in force, assets and everything else. To be second is a grievous fault. Every company dreams of getting a step higher on the great pyramid, on the dizzy apex of which flies the flag of the Metropolitan.

Enormous Lapses

Yet the rage for bigness is neither rational nor healthful. Bigness is a fetish that costs the Canadian public a vast sum because the haste to be big results in pressure on agents and the pressure results in writing business that lapses. Of the $577,000,000 written in 1921, $231,000,000 lapsed in 1922—40 per cent. The lapse of two-fifths of the life insurance written involves a waste of good money. It cost the Canadian people between three and four millions of dollars to experiment with insurance in 1921 and drop it in 1922—largely because of undue pressure being brought to bear upon the agents. Thus the business in force in Canada is carried in a sieve which on account of the continual waste must receive a vast quantity of new business in order to increase the net amount to any extent.

In submitting his report of the business of 1922 to the minister of finance, G. D. Finlayson, Dominion Superintendent of Insurance, said: "The total amount of business lapsed and surrendered during year was $288,836,353 or 49.9 of the gross new business written. This feature of the year's business is disappointing in the extreme, indicating as it does a tendency on the part of the field forces to disregard renewals. A re-arrangement of commissions as between new and renewal business might be effective in reducing the high rate of lapse which is at present a standing reproach to all engaged in the business."

This reproof would not have been needed but for the fierce struggle for existence which results in nearly one-half the business written being scrapped.

Yet, although the struggle is so strenuous, every little while another company is brought into being. There is an hilarious christening and the long struggle for bigness is begun. It frequently happens that the infant pines away and is adopted by a well-to-do foster parent and its troubles are happily at an end. The result is that in Canada no life company has ever failed. It is evident, however that some would have done so had not re-insurance saved them.

"The business was badly written," is a frequent explanation. It is true, but why was it badly written?—Because of the pressure brought to bear on the solicitors, and because of their individual share in the struggle for existence.

Thus, while some benefits accrue to the public from the great struggle of fierce though friendly competition, there are evils which must be remedied. On the whole the benefits arising from the struggle for existence outweigh the evils resulting. The benefits of insurance have been extended to nearly every home with approximately fifty-five billions of insurance in force in Canada and the United States. Canadians and Americans are the best protected people in the world. While there are evils resulting from competition, they are not irremediable. We can have life insurance, which is merely the expression of a natural instinct for mutual protection, without any of the waste that is associated with it to-day.

PROVIDE FOR WAITING PERIOD BEFORE CLAIM

Eliminate Small Sick Claims and Greatly Reduce Cost of Insurance

"It is too expensive" is the conclusion of many in considering sickness insurance, and as a result hundreds of men who would otherwise be protected against loss through sickness go unprotected. To those who have so decided and the agents who have allowed them to do so there are some considerations worthy of attention.

Sickness insurance is usually sold in conjunction with accident policies. The premiums on the latter are extremely small in comparison with the amount of protection they give. That the premiums on accident policies are much higher is due to one fact—that the experience of many years has proven that the number and amount of claims under such policies is much greater. Thus a claim under a sickness policy is more probable and the value to the insured is higher.

However, there is a condition in this class of insurance which tends to place an excessive cost on the best type of policyholder. Policies have been drawn so that a claim arises immediately when anyone insured becomes sick. The result has been that large numbers of small claims have been met by the companies, involving not only heavy claim payments but also a great deal of expense in handling. Moreover, policies of this kind were purchased in many cases by those who had special reasons to expect disability from sickness.

An effort to overcome this handicap has been made by several companies by the introduction of policies with provision for a waiting period before a claim became operative under them. In these cases the company is not liable until the insured has been sick for a specified period. This eliminates the great number of small claims, which cost the companies proportionately more than larger claims, and reduces the number and amount of claims in general to a fraction of the former totals. The resulting reduction in premium rates makes it possible to secure substantial protection against sickness by means of an expenditure of moderate sums. While the insured is deprived from protection from minor afflictions, he still maintains a definite protection against any serious loss of income through sickness.

INSURANCE LICENSES

The following licenses have been issued by the Dominion Department of Insurance:

The Stuyvesant Insurance Company, to sell sprinkler leakage insurance. The Motor Union Insurance Company, to sell plate glass insurance. The Franklin Fire Insurance Company of Philadelphia, hail and automobile insurance, excluding insurance against loss by bodily injury to the person.

PUBLIC LIABILITY CLAIMS REACHING NEW HIGH LEVELS

Owner of Property and Machines Must Protect Public

COVER ALL ELEVATORS

Protect Contractors Against Accidents in Construction Operations—Auto Claims Are Numerous

What is public liability insurance and what does it mean to the business man of to-day? The necessity for this class of protection arises out of the principle that bodily injury entitles the person affected to recover damages from the person on whom responsibility for the accident can be fixed. With the increasing intensity of modern business activity and the amazing increase in the use of machinery and mechanical devices of all sorts, accidents can scarcely be avoided. To expose the individual to the many varieties of risk from the operations of others without any redress would not seem equitable, especially in large cities where building and other operations are carried on in places used extensively by the public. Consequently the business man who is erecting a building close up to the sidewalk or roadway on any street, operating an elevator system, driving a motor vehicle, etc., finds that he must take special precautions to avoid injuring any person, and even then he is exposed to an action for damages if an accident occurs.

Paid $3,000 Claim

The diversity of accidents which may cause injuries is great and often the simplest mistakes result in heavy claims. An instance may be found in a claim against a large department store in Toronto some years ago. A milk bottle had been left on a window sill of one of the upper stories. An employee inadvertantly knocked it off and it struck a pedestrian on the street below, causing severe injuries. A claim of $3,000 was made against the company. As the latter carried public liability insurance, it was relieved of the payment, which was met by the insurance company. During the past year a number of large buildings being constructed in Canada have been covered by insurance companies against public liability claims. In the case of an extension to a large department store a large policy existed. Although no big claims arose, there were some minor accidents which resulted in claims of approximately $400.

Auto Accidents Numerous

Incidents of public liability claims as a result of automobile accidents in Canada are numerous. Recently a large sedan was traveling on an Ontario highway with six passengers. At a corner of the road it collided with a Ford and threw it clear of the pavement. The driver of the Ford car lit in the tonneau of the sedan, which landed in the ditch upside down. Fortunately the bodily harm to those in the cars was light, but the damage to both the automobiles was heavy. The owner of the sedan was fully covered with insurance and secured payment from the insurance company of $6,000 on a collision policy for damages to his own car. He also secured $1,000 to cover the injuries to the driver of the Ford car and the damages to his car under public liability and property damage. In this case the public liability claim was fortunately small, but it might have exceeded the other claims by a wide margin had the injuries to the driver of the Ford been serious or resulted in his death.

With the new money standards of recent years the amount of claims has shown a tendency to rise. Bodily injuries are capitalized at high figures. Consequently many have thought that the old limits of $5,000 are entirely inadequate. While claims in Canada have not been as big as in the United States, they are by no means as small as formerly. To make provision for this, one large company has increased its insurance from a $5,000 limit to $20,000.

However much we may deplore the tendency to exorbitant claims, those bearing the responsibility must face the facts. The responsibilty applies to every property owner, to every employer, contractor, physician, surgeon and dentist, to every druggist and hospital, to every owner of an elevator-equipped building, to every person who plays golf or indulges in other outdoor sports, to every owner of a team and to every automobile owner. It also applies to every proprietor of a hotel, theatre, store, shop or factory on whose premises the public may be injured, in spite of all safeguards and precautions.

With the exception of public liability protection on automobiles, possibly the most common class insured is elevators. Practically all elevators are insured and regularly inspected to prevent accidents. This is one phase of this class of insurance. Much of the money paid as insurance premiums, which would ordinarily go to the payment of claims, is used to cover the cost of inspection and thereby cut down the number of accidents and losses.

MAKING LIFE INSURANCE EASY TO CARRY

To make it as easy as possible for those "bearing the burden in the heat of the day" to carry life insurance adequate to their needs—that is the motive of the Mutual of Canada. The company issues annual dividend policies so that the refunds are available year by year to reduce the premiums, or the dividends may be accumulated at interest until, being added to the reserve, the policy becomes paid up or matures. As the company is operated on the mutual principle, the dividends are as liberal as possible, every dollar of surplus being used to lighten the burden of protection. In other words, we aim "to provide the largest amount of genuine life insurance for the smallest possible outlay." This year our dividends have been again increased, and the cost of insurance correspondingly reduced. Our method is economical, equitable and democratic, securing "maximum benefits at a minimum cost."

Assets $59,727,388—31/12/23—Assurances $269,982,566.

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO - - ONTARIO

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$81,000,000.00
Policies Issued from $1,000 to $5,000

G. E. BAILEY, Secretary
W. H. HUNTER, President
G. R. COTTRELLE, Treasurer

The Great Malady

of business life is the worry of uncertainty. The speculative element has so eaten into business relations that men are turning anxiously to something that is not a rope of sand. They find it in Life Insurance, and they find that the protection and profit secured in a Great-West Life policy form the finest bed rock of certainty the times have produced.

The Great-West Life Assurance Company
Head Office: Winnipeg

Sun Life Assurance Company of Canada
HEAD OFFICE: MONTREAL

Assets
Two Hundred Million Dollars

You can rest assured

WESTERN ASSURANCE CO.

Incorporated in Canada, A.D. 1851.

Assets, December 31st, 1923	$6,146,716.49
Liabilities (excluding Capital)	2,140,943.43
SECURITY to Policyholders	4,005,773.06
Unearned Premium Reserves (on Dominion Government basis)	2,220,502.06
SURPLUS to Policyholders	$1,785,271.00

Losses paid since organization of the Company in 1851, $89,562,721.35.

FIRE, MARINE, AUTOMOBILE, RIOTS, STRIKES, CIVIL COMMOTIONS, EXPLOSION, BURGLARY and GUARANTEE INSURANCE

Head Office: TORONTO

BRITISH AMERICA ASSURANCE CO.

Incorporated in Canada, A.D. 1833

Assets, December 31st, 1923	$2,834,585.02
Liabilities (excluding Capital)	852,942.83
SECURITY to Policyholders	1,981,642.19
Unearned Premium Reserve (On Dominion Govt. Basis)	1,466,158.12
SURPLUS to Policyholders	$ 515,484.07

Losses paid since organization of the Company in 1833, $55,958,409.52.

FIRE, MARINE, AUTOMOBILE, RIOTS, STRIKES, CIVIL COMMOTIONS, EXPLOSION, BURGLARY and GUARANTEE INSURANCE

Head Office: TORONTO

WOULD GOV'T INSPECTION HAVE PREVENTED LOSS?

Criticism Follows Northwestern Failure; Appoint Permanent Liquidators

The decision of the shareholders of the Northwestern Life Assurance Company to liquidate the company has already provoked criticism of the government supervision which permitted the affairs of a company handling trust funds to fall into such an unsatisfactory state. In the Manitoba Legislature, Hon. R. W. Craig, attorney-general, stated that the inspection of the companies operating under Manitoba charter would cost the government $1,000,000. This sum is considered by insurance men as much too high an estimate, since the number of companies which would come under it is very small.

The refusal to institute an inspection system on the grounds that the cost would be too great would be regretted in insurance circles because the weakness which follows in the position of the few companies concerned reflects on others in the field.

The extensive system of supervision and inspection of the Dominion Department of Insurance has had the effect of building confidence in Canadian life insurance companies. The strict regulations apply to all companies with Dominion charters and operating under Dominion licenses. In Ontario inspection and supervision is carried on in the case of provincial companies, providing much the same security to policyholders as in the case of the Dominion companies. However, inspection has not been attempted in all provinces. In Nova Scotia, for instance, the province grants a license to transact business to any company licensed by the Dominion department. In that province the necessity of inspection is not so evident because only Dominion licensed companies operate and these are adequately inspected. Similarly in Manitoba reliance has been placed largely on the Dominion inspection. However, there are a number of companies with Manitoba licenses and these escape the careful supervision which is now considered a distinct asset.

Makes Insurance Safe

It is this system of setting aside reserves for the protection of policyholders that has developed the confidence of the public in insurance and enabled it to advance to a position where it touches the life of nearly every family. Some smaller companies have gotten into difficulties in the past but losses have been avoided because larger companies were glad to take them over. In doing so they secured reserves sufficient to provide for maturing obligations, as well as field organizations of some value. One company, which operated for many years on a small scale without any dividends to shareholders, was taken over by another company at a price which proved profitable to the latter, many of whom had not expected to receive even their investment back. In the case of the Northwestern, insurance men intimate, difficulty may be experienced in interesting other companies, as they have no guarantee that the reserves are adequate. Proper inspection, they claim, would have made such a condition impossible.

In presenting the case for the appointment of permanent liquidators immediately, it was declared that this course was necessary to protect the interests of the policyholders. Salter and Arnold have been appointed permanent liquidators, but shareholders are working on plans to reorganize the company and it is understood that they will be given an opportunity to bring in their suggestions.

FIT INSURANCE INTO PLAN OF INVESTMENT

Insured's Income, Dependents, Outstanding Liabilities, etc., Dictate Sum Necessary

How much are you worth alive? This is a question often asked by life insurance men in soliciting prospects. Assuming an average interest rate of 6 per cent., the capitalized value of a man's life is as follows:

Annual Income	Worth
$ 900.00	$ 15,000.00
1,200.00	20,000.00
1,500.00	25,000.00
1,750.00	29,166.66
2,000.00	33,333.33
2,400.00	40,000.00
2,700.00	45,000.00
3,000.00	50,000.00
3,500.00	58,333.33
4,000.00	66,666.66
5,000.00	83,333.33
10,000.00	166,666.66
20,000.00	333,333.33

This, of course, is subject to modification because the annual income of most men, while nominally tending to increase, is open to reductions or cancellations on account of sickness, disability, etc. If the income were from investments this danger is avoided when the money is properly invested.

In view of this, the question of how much life insurance a man with any specified income should have, is a potent one. The old claim that a man should have insurance for an amount of at least half of his capitalized worth has been losing ground in the face of the movement to fit insurance into the plans and circumstances of each individual. While the worth is a basic factor on which to start in determining the needs, the number of dependents, the outstanding liabilities. etc., alter the amount of protection required. In some cases it may be less than half the worth, while in others it may substantially exceed it, especially in the case of those with incomes from $5,000 per year up. Men in this class are frequently engaged in business operations which expose their dependents to financial dangers if failure of their ventures or death overtake them.

Died After Deciding, but Before Applying for Life Insurance

An instance reported by a well-known life insurance company intimates to those who seek to postpone applying for life insurance that the salesman who strongly urges immediate action is frequently acting more in their interest than they realize. The circumstances are revealed in a newspaper report, which reads:

"The funeral of ——, Sandwich, who died in Grace Hospital Sunday afternoon, after two days' illness, will be held on Wednesday, with services at his late residence at 2 p.m. and interment in St. John's Cemetery. Rev. C. R. Durrant, pastor of the Sandwich Methodist Church, will officiate.

"——, who was manager of the discount department of the Bank of Commerce, Detroit, was at work as usual on Thursday, but on the afternoon of Friday—an American bank holiday—became ill. His physician suspected appendicitis and he was taken to Grace Hospital, where an operation was performed Saturday. A gangrenous condition of the bowel was discovered, however, and no hope could be held out for his recovery.

"The dead banker was born in Elmvale, Ont., 31 years ago. For some time he was employed in the branches of the Standard Bank in Chatham and Windsor. Six years ago he became connected with the Detroit institution.

"Surviving him are his widow and two children."

The deceased in this case was insured by the company, but before his death he had realized that his wife and family needed more insurance protection. A representative of the company had written him early in February of this year suggesting that he add to the insurance already in force. On receipt of this letter the deceased had decided to take up the suggestion but had neglected to make application to the company. The representative wrote him a follow-up letter on February 25, only to learn later that he had died the day previous.

Hardware Underwriters Had Lower Loss Ratio

The Canadian Hardware and Implement Underwriters reports successful operations during 1923 of the three fire insurance companies which issue the policies sold in Canada by it. These are the Retail Hardware Mutual Fire Insurance Company, the Hardware Dealers Mutual Fire Insurnace Company, and the Minnesota Implement Mutual Fire Insurance Company, all with head offices in the United States.

The combined assets of the three companies total $5,740,007 and the liabilities on December 31 weie 33 915,156, leaving a surpuls of $1,825,850. The net total of insurance in force after deducting reinsurance is $419,211,784.

The premiums written in Canada in 1923 were $443,865, and the losses incurred $179,495, while the expenses totalled $70,217, and th edividends tc policyholders $149,889. The loss ratio was 40.43 per cent. compared with 41.63 per cent. in the preceding year.

The companies operate under Dominion licenses, with head office in Winnipeg, and transact an extensive business throughout the country. especially with hardware and implement dealers.

Commercial Life Makes Rapid Progress in 1923

A number of substantial increases are reported by the Commercial Life Assurance Company, Edmonton, in its annual report for 1923. The business in force now totals $5,117,000 an increase of 30 per cent. from the total of $3,920,000 at the end of 1922. The premium income for 1923 was $128,131, which was 43 per cent. greater than in 1922, while the total income was $173,138 for the year. The company's assets now amount to $319,424, of which $214,133 are policy reserves.

In the face of difficult business conditions in Western Canada for some years, this company's record is one of steadily increasing insurance in force, assets and income. During 1923 the interest earned on investments was over 8 per cent.

The officers and board of directors are: President, R. H. Cautley; vice-presidents, J. G. Clark, and Dr. E. W. Allin; directors, W. J. Stark, W. Fletcher Bredin, George H. Hutton. L. G. Calder, W. T. Henry. W. W. Prevy, H. W. B. Douglas, F. O. Hodgson; managing director, J. W. Glenwright.

Agent Must Know Many Details of His Policies

A successful life insurance salesman must know his business, says the Excelsior Life, in its agency bulletin. In writing people for small policies it is found that their needs are simple, their capacity to buy is limited, and mostly they take what the agent finds is the best to sell them. The big buyer, on the contrary, demands to be shown. He asks questions. He is used to buying in his own business and he makes the seller demonstrate right down to the ground. The ability to do this demands a wide knowledge of the goods.

Advertisement Proved Need For Income Policy

In Chicago an agent of the Ohio Mutual Life of Columbus had an advertisement inserted in the Tribune, reading something like this: "A widow has $20,000 to invest; wants a good rate of interest and safe and secure from loss." This man has in his possession to-day a scrap book several inches thick containing replies received from that one advertisement. He got letters from people on their way to the penitentiary then and who are now there. An old doctor selling dope, wrote this widow that he could make her 100 per cent. profit in 90 days, and that it was fortunate that he had seen her advertisement. Answers were also received from men who had no place of address other than the general delivery at the postoffice, and who stated that they were in the contracting business and would like to invest that money in that business.

National Life Manager Had Wide Experience

The wide and successful experience of C. H. Carpenter, the new general manager of the National Life Assurance Company, lends strength to the opinion that the business of this company will experience a rapid growth. Mr. Carpenter took charge of the company's operations this week.

Starting in life insurance with the New York Life in New York City in 1896, he worked up through the various departments and in 1901 he was appointed inspector of Quebec and the Maritime provinces with headquarters at Montreal. In 1911 he was appointed Ontario manager of the Great West Life and two years later he was made Eastern superintendent, in which position he has been until the present change. Under his guidance the business of the Great West has developed rapidly, his organization having written nearly thirty-seven millions of business last year.

Bank Was Protected By Large Hold-up Policies

The increased difficulty of making a profit on burglary and hold-up insurance is illustrated by the robbing of the Banque d'Hochelaga messengers in Montreal this week. It is estimated that the hold-up men got away with nearly $150,000. The bank carried $500,000 of insurance in two companies. After a desperate battle the robbers made their escape in an automobile. This is largely a repetition of the hold-up of bank messengers in Toronto last year. In the latter case the banks were also protected by hold-up insurance.

Increases Reported By Life Companies to Date

Reports of the life insurance companies for the present year indicate increases in business over the same period last year. While some companies are only ten or fifteen per cent. ahead, others say that they are finding underwriting conditions better than any time since 1920. One company had more paid for business on the books on March 15 than up to the end of April last year, while another was actually 42 per cent. ahead for the first three months of the year.

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

FIRE AUTOMOBILE MARINE
British America Assurance Co. (Incorporated 1833)
British Empire Underwriters Agency
St. Lawrence Underwriters Agency
Western Assurance Company (Incorporated 1851)
Head Offices: 22 Wellington St., East, Toronto
INLAND TRANSPORTATION
RIOTS and STRIKES EXPLOSION

SECOND OF SEVEN

Winnipeg is the headquarters of seven splendid life companies, all safe to insure with.

The Northwestern, although the youngest, was second to construct its own home office building.

NORTHWESTERN LIFE
WINNIPEG, MAN.

THE PROVIDENT ASSURANCE CO.
189 ST. JAMES STREET, MONTREAL
Tel.: Main 4310, 4311, 4312, 4313
INSURANCE:
FIRE, AUTOMOBILE, LIABILITY, LIFE, ACCIDENT, SICKNESS, PLATE GLASS, BURGLARY, GUARANTEE, SURETY
Incorporated 1905)

INTERNATIONAL TIME STAMPS

The most reliable spring-driven stamp on the market. Sets dates automatically. Prevents mistakes and disputes about time in connection with mail, documents, instructions, accounts, etc.

We also make automatic attendance registers, electric time systems, etc. Write for folder.

International Business Machines Co. Limited.
300 CAMPBELL AVE., TORONTO, ONT.

Nationalize Your Credits

Credit Insurance

AN adequate reserve will guard the wholesale merchant or manufacturer against unexpected loss, **but it ties up a lot of capital.** Earning power has to be sacrificed for the sake of protection.

How much simpler to safeguard your credit accounts against bad debt losses above normal by a Credit Insurance Policy with the National Surety Company.

Ask us for particulars

NATIONAL SURETY COMPANY
Wm. B. Joyce, Chairman — E. A. St. John, President — E. M. Treat, Vice-President
New York

J. S. FERGUSON, General Agent
Credit Insurance Department
1410 C. P. R. Building, Toronto, Canada

Abstract of Fire Insurance Written in Canada Last Year

Canadian Fire Insurance Companies

Companies	Net premiums written $	Gross premiums written $	Gross policies new and renewed $	Net amount at risk at date $	Net losses incurred $
Acadia Fire	217,516	478,139	35,875,870	29,116,854	195,113
Antigonish Farmers	3,271	3,271	323,250	700,018	2,060
Beaver Fire	38,735	157,660	12,703,776	5,757,429	17,091
British America	323,809	845,036	123,799,115	73,010,363	290,242
British Colonial	25,363	339,208	2,712,108	1,665,092	2,701
British Northwestern	178,907	299,110	28,679,733	22,291,532	120,400
Canada Accident and Fire	158,624	330,675	28,971,564	20,214,963	84,220
Canada National	187,273	353,781	26,465,647	33,982,451	98,099
Canada Security	95,349	226,822	16,646,132	12,399,363	60,333
Canadian Fire	358,789	710,069	55,141,348	50,980,856	168,359
Canadian Indemnity	131,635	199,427	15,113,168	14,207,976	70,365
Canadian Lumbermen's	—45	21,322	896,975	None	None
Casualty Co. of Canada	2,864	3,670	403,032	301,257	None
Cumberland Farmers	2,049	2,067	205,600	572,625	929
Dominion Fire	109,335	467,493	39,738,096	35,647,782	189,919
Dominion Gresham	34,015	118,351	11,292,462	3,247,842	10,646
Dom. Guar. and Acci.	125,899	229,019	25,382,669	32,740,697	50,840
Ensign Fire	25,810	54,998	4,961,770	3,140,522	8,530
Fire Ins. Co. of Canada	280,794	593,920	51,854,795	35,175,671	192,911
Gen. Accident of Canada	73,685	151,586	12,913,284	10,094,767	36,320
Globe Indemnity	98,027	434,118	43,951,064	23,849,779	56,953
Grain Insurance	248,889	276,870	28,820,942	15,047,479	159,218
Guardian Ins. of Canada	84,809	274,142	25,774,633	7,564,329	40,838
Halifax Fire	39,504	69,550	4,579,091	4,646,558	14,270
Hudson Bay	177,201	360,936	30,467,260	23,956,406	105,186
Imperial Underwriter's	146,658	357,618	35,446,600	23,622,732	83,919
Kings Mutual	26,758	27,608	2,599,825	6,769,456	20,736
Liverpool-Manitoba	288,131	657,280	60,467,616	41,736,429	174,221
London and Lanc. Guar.	None	None	None	None	None
London Mutual	197,815	555,416	53,281,017	50,756,723	177,337
Mercantile	141,743	324,850	33,575,016	28,900,606	65,316
Mount Royal	764,377	1,414,018	118,255,706	110,004,002	527,551
Mutual Fire	12,488	12,550	905,456	1,181,761	10,588
North Empire	225,769	479,140	42,178,804	25,275,555	144,984
North West	140,935	234,790	21,076,750	20,300,384	103,836
Occidental	266,716	549,219	43,122,043	35,664,368	189,720
Pacific Coast	188,815	352,644	31,841,440	23,751,556	108,267
Pictou County Farmers	5,398	5,440	710,640	1,881,923	3,873
Quebec	168,877	431,754	41,629,406	33,784,015	92,808
Reliance	39,979	118,591	11,237,336	5,760,800	14,463
Scottish Canadian	76,373	190,545	13,632,597	9,933,049	40,943
Western	575,810	982,224	309,126,431	105,069,161	419,137
Totals for 1923	6,288,749	13,694,927	1,446,760,076	984,705,131	4,153,242
Totals for 1922	6,766,410	14,155,236	1,362,595,962	1,012,544,962	4,690,307

The Canadian Surety, Imperial Guarantee, Merchants Casualty, and North American issued fire insurance on automobiles only. This is included in automobile abstract, A.

British Companies, Canadian Business

Companies	Net premiums written $	Gross premiums written $	Gross policies new and renewed $	Net amount at risk at date $	Net losses incurred $
Alliance	360,383	401,503	43,084,353	60,614,509	216,671
Anglo Scottish	82,264	122,469	11,372,361	7,593,392	33,713
Atlas	778,412	1,002,133	92,637,969	111,498,154	485,935
Autocar	110,890	133,010	11,963,986	11,363,690	77,913
British Crown	435,290	600,968	59,006,668	56,380,752	270,539
British and European	20,218	24,581	3,235,456	2,384,889	2,281
British General	131,744	204,097	22,705,158	17,912,267	56,079
British Oak	246,121	305,306	25,243,919	21,606,578	135,683
British Traders	300,296	366,559	35,847,215	36,388,385	231,832
Caledonian	453,597	636,968	60,599,591	73,984,839	291,927
Car and General	216,564	325,982	39,245,187	27,369,361	157,706
Central	16,826	24,874	2,330,242	1,602,458	2,887
Century	271,066	417,922	40,921,762	36,144,226	186,583
China	—1,663	5,026	263,820	None	69
Commercial Union	948,509	1,250,561	150,371,499	139,360,446	591,783
Cornhill	119,993	160,466	16,216,883	12,552,399	59,516
Eagle, Star & Brit. Dom.	409,720	557,502	54,799,670	53,313,655	285,571
Employers Liability	712,921	922,842	96,924,065	108,381,240	375,154
Essex and Suffolk	99,320	247,205	24,140,278	12,802,125	66,141
General Accident & Fire	386,221	466,855	55,346,816	54,584,887	226,554
Guardian Assurance	1,586,443	1,863,893	178,100,728	194,547,146	998,935
Law Union and Rock	373,410	454,321	42,501,748	52,573,927	200,087
Liverpool & Lon. & Globe	1,439,117	1,952,736	171,385,859	203,268,408	795,794
London Guar. and Acc.	431,893	.638,527	60,847,514	52,759,766	241,219
London and Lanc. Ins.	1,370,219	1,661,699	166,131,342	186,607,842	880,050
London Assurance	609,571	701,185	65,586,182	83,498,435	368,223
Merchants Marine	179,248	260,475	31,305,052	25,834,645	75,121
Motor Union	147,990	188,757	21,700,424	17,577,425	108,434
National Prov. Ins.	137,885	194,293	19,945,263	17,458,497	76,154
North Brit. & Mercantile	1,153,029	1,476,573	147,682,246	173,029,610	750,426
Northern Assurance	970,791	1,173,600	103,408,693	129,882,950	695,470
Norwich Union Fire	1,108,496	1,392,054	128,034,849	147,194,351	736,289
Ocean Accident & Guar.	385,752	495,361	45,810,465	48,697,163	251,134
Palatine	442,880	563,071	50,041,459	52,878,575	292,434
Patriotic	96,163	122,646	12,620,744	11,690,792	29,573
Phoenix of London	1,204,156	1,620,748	144,846,295	166,609,102	682,507
Provincial	224,661	262,056	24,603,332	29,233,612	152,258
Prudential	36,233	37,521	3,806,337	3,452,694	2,345
Queensland	276,381	332,944	30,682,700	31,861,052	266,563
Royal Exchange	638,207	867,486	85,015,258	98,575,299	339,979
Royal Insurance	1,974,405	2,446,243	247,851,735	305,746,828	1,177,426
Royal Scottish	240,277	311,464	29,649,093	27,601,665	169,139
Scottish Metropolitan	229,713	280,980	25,189,875	30,084,056	133,919
Scottish Union	407,311	470,757	48,642,915	66,535,329	230,752
Sun Insurance	869,596	1,067,106	92,875,349	116,417,235	489,000
Union Assurance	640,613	841,144	89,585,593	91,923,574	426,699
Union of Ganton	559,690	729,371	71,224,832	68,116,060	449,653
United British	99,090	120,620	13,893,368	11,928,183	57,896
World Marine	34,421	45,918	4,491,956	3,493,381	9,298
Yangtsze	114,350	148,322	14,228,069	10,313,051	76,748
Yorkshire	395,477	517,206	43,968,359	61,162,261	319,669
Totals for 1923	24,475,163	31,416,906	3,061,914,532	3,366,391,166	15,237,731
Totals for 1922	23,681,866	30,233,649	2,841,995,297	3,197,190,744	16,920,368

The Marine, Railway Passengers, and Union Marine issued fire insurance on automobiles only. This is included in automobile abstract A.

Foreign Companies, Business in Canada

Companies	Net premiums written $	Gross premiums written $	Gross policies new and renewed $	Net amount at risk at date $	Net losses incurred $
Ætna	537,025	658,773	72,691,494	76,876,314	372,781
Affiliated Underwriters	57,711	78,903	12,698,286	10,111,998	74,071
Agricultural	80,914	122,283	13,691,062	12,078,087	61,682
Alliance Insurance	177,466	223,051	30,689,150	27,563,469	161,196
American Alliance	6,347	21,738	1,704,108	702,056	1,650
American Central	165,099	316,824	32,092,529	23,372,441	140,002
American Equitable	127,953	158,804	14,322,066	13,281,149	101,554
American Exchange	24,604	26,610	7,159,250	6,156,250	670
American Fire of N. Y.	157,680	254,038	29,455,753	13,082,809	96,046
American Insurance	95,905	159,818	16,240,503	10,692,223	57,475
American Lloyds	56,132	67,031	8,733,371	7,569,874	47,284
Baloise	145,897	195,257	15,222,390	11,490,208	64,576
Boston	122,488	228,223	18,524,353	11,392,482	97,175
Caledonian-American	52,681	117,944	10,973,352	9,628,020	34,897
California	126,051	162,697	15,010,434	14,070,682	62,406
Central Mfrs. Mutual	81	102	17,150	13,650	None
Citizens of Missouri	31,663	45,822	2,821,276	2,515,854	15,522
Columbia	126,063	198,903	17,247,209	12,661,053	83,470
Commercial Union of N.Y.	5,852	13,125	887,065	838,335	3,793
Connecticut	200,854	298,061	30,022,975	25,544,210	93,746
Continental	533,821	742,937	70,533,458	69,068,970	368,013
Equitable Fire & Marine	56,961	235,170	24,798,304	7,139,070	21,568
Fidelity-Phoenix	480,236	649,889	61,604,178	61,806,061	288,307
Fire Ass'n of Philadelphia	175,098	222,067	21,832,494	17,144,806	67,111
Fire Reassurance	205,054	422,395	45,645,683	20,712,674	162,371
Firemen's Fund	144,146	235,503	32,043,685	19,747,074	150,933
Firemen's Insurance	93,158	126,539	10,637,831	13,579,627	48,297
General of Paris	131,232	191,727	21,931,463	17,337,045	60,567
Girard	23,653	34,519	2,958,338	3,354,196	21,894
Glens Falls	201,889	327,874	32,513,286	23,803,755	191,643
Globe and Rutgers	833,973	1,077,112	142,322,147	92,974,020	698,576
Grain Dealers	10,528	17,367	915,950	540,330	9,720
Great American	510,401	711,781	73,683,914	70,393,979	381,016
Hardware Dealers	147,955	179,908	8,160,569	6,416,972	60,729
Hartford Fire	1,582,203	1,972,732	212,962,348	237,473,955	915,422
Home Insurance	1,917,947	2,386,161	205,743,570	214,368,124	1,137,294
Imperial Assurance	96,956	156,902	11,265,192	6,469,556	42,137
Individual Underwriters	45,923	119,197	34,112,227	31,132,027	13,872
Ins. Co. of North Amer.	917,958	1,151,373	138,409,054	130,935,031	743,054
Ins. Co. of State of Penn.	146,936	200,226	21,128,366	16,871,591	81,324
Lnmbermen's Indem. Ex.	275,214	434,015	15,036,341	10,881,060	143,601
L'b'rmen's Underwrit. Al.	291,683	377,193	21,554,298	16,307,390	179,288
Lumber Underwriters	53,236	77,981	4,515,940	2,590,282	28,305
Manufacturing L'b'rmen's	231,466	286,563	15,933,396	12,620,902	182,816
Mechanics and Traders	16,084	24,082	1,138,060	850,966	9,653
Merchants Fire	217,017	258,771	25,339,884	23,008,837	94,041
Millers National	83,025	97,664	8,634,678	8,180,720	49,769
Mill Owners Mutual	30,031	43,629	2,417,596	1,984,646	52,672
Minnesota Implement	147,955	179,908	8,160,569	6,416,972	60,729
National Ben Franklin	183,829	229,100	19,136,803	25,185,835	104,002
National Fire of Hartford	658,021	854,408	75,252,616	82,641,422	474,607
National Union	207,206	278,460	26,927,408	25,341,869	161,788
La Nationale	578,736	781,503	66,921,697	72,458,956	363,996
Newark	113,195	211,393	18,609,721	13,895,321	79,025
New Hampshire	175,002	268,777	24,994,237	19,170,907	95,300
New Jersey	75,803	122,014	10,386,589	7,871,089	39,866
New York Reciprocal	46,630	98,937	33,918,262	32,902,263	15,084
Niagara	303,040	480,427	53,868,131	42,653,658	192,058
Northwestern Mutual	668,401	844,489	38,980,418	34,299,828	262,563
Northwestern National	216,080	350,802	28,567,052	32,693,356	102,749
Pacific Fire	151,791	177,892	19,193,835	17,075,240	84,873
Phoenix of Paris	152,044	222,186	22,785,287	21,026,920	72,848
Phoenix of Hartford	425,609	689,929	70,329,057	60,620,940	209,352
Providence Washington	148,529	354,300	36,168,858	19,233,833	159,962
Queen of America	739,667	943,045	90,453,412	103,187,919	432,555
Retail Hardware	147,955	179,908	8,160,569	6,416,972	60,729
Rossia Ins. Co. of Amer.	728,895	948,353	126,694,266	78,858,773	362,242
St. Paul Fire and Marine	362,196	502,761	51,935,080	46,126,592	214,460
Security	90,937	142,169	14,586,897	9,488,918	53,478
Springfield	317,526	484,028	46,256,674	44,899,829	285,828
Sprinklered Risk	13,589	20,558	5,226,800	5,676,800	278
Sterling	91,007	114,629	13,263,308	10,611,689	67,472
Stuyvesant	176,173	221,559	21,320,091	17,996,672	102,165
Tokio	70,365	109,208	11,696,864	8,561,944	43,866
L'Union of Paris	327,308	404,574	85,693,888	40,719,636	258,788
United States Fire	155,050	221,068	28,145,856	21,859,516	176,660
Winchester	229,491	352,877	38,718,930	27,936,009	157,817
Totals for 1923	19,454,280	26,908,096	2,664,324,146	2,362,654,508	12,469,134
Totals for 1922	17,750,034	24,046,091	2,266,542,335	2,138,901,730	11,237,346

American Automobile, Franklin, Zurich, issued fire insurance on automobiles only. This is included in automobile abstract A.

RECAPITULATION

Canadian companies	6,288,749	13,694,927	1,446,760,076	984,705,131	4,153,242
British companies	24,475,163	31,416,906	3,061,914,532	3,366,391,166	15,237,731
Foreign companies	19,454,280	26,908,096	2,664,324,146	2,362,654,508	12,469,134
Totals for 1923	59,218,192	72,019,929	7,172,998,754	6,713,750,805	31,860,107
Totals for 1922	48,168,310	68,435,026	6,471,133,294	6,348,637,436	32,848,020

LIFE COMPANIES HAVE BIG STAKE IN WESTERN LAND

New Bulletin Service is Attempt to Improve Conditions

An attempt at increased co-operation between insurance and other large companies, with heavy investments in Western Canada, through their Western representatives, and farmers, is being made by the publication of a series of bulletins dealing with ways and means of reducing costs and increasing production on the farms. With the help of prominent Western men, several of these bulletins have been published by the Mutual Life Assurance Company and are now being distributed. In one, entitled "What has the future in store for the farmers of Western Canada?" this company, which has taken a strong lead in the new development, says:

In this connection The Mutual Life Assurance Company of Canada, as a result of a survey made during the past year, and after consulting practical western farmers and recognized experts in the agricultural departments of the Dominion of Canada and the Provinces of Manitoba, Saskatchewan and Ontario, has become convinced that the great majority of farms in Western Canada can be operated successfully, provided a proper system of mixed farming and crop rotation be adopted. And further, that in this method of farming to a large extent rests the future success and prosperity of Western Canada.

The Mutual Life Assurance Company of Canada has become so thoroughly convinced on this point that it has adopted a definite policy of co-operation whereby every western farmer in whom the company is directly interested, may secure assistance which will permit him to grow sweet clover without delay.

One suggestion for improvement is the growing of sweet clover in greater quantities. Much information is given in this and subsequent bulletins on the cultivation of the clover. This has been secured largely from successful Western farmers and others who have had actual experience in growing it there, and can attest to its value. Letters from Hon. John Bracken, premier of Manitoba, Professor M. Champlin, Saskatoon, and Prof. C. A. Zavitz, Guelph, endorse the plan to increase this crop. In writing to C. M. Bowman, chairman of the executive of the Mutual Life, Premier Bracken says:

> I am very glad to note also the interest your company is taking in the promotion of a more permanent system of farming in the West, and I wish to assure you that the Department of Agriculture here and the government will be behind you in this constructive policy.

In furtherance of this idea bulletins are being issued through the Western agencies of a number of companies, treating on various subjects affecting the position of the farmer in the prairie provinces. The first of these contains the opinions of several agricultural experts and practical farmers as to the ways in which the production costs of farm products can be reduced.

This new development is an indication of the big stake many companies have in the West. The money they have invested there is so great that the general prosperity of the farmers is of paramount importance. Adjustments are necessary from time to time and the interest of the loaning companies in bringing them about satisfactorily is almost as great as that of the farmer himself.

Want Exemption of Life Policies From Duties

Alberta Underwriters are seeking the passage of legislation exempting life insurance policies specifically marked for the payment of succession duties from the tax levied under the Succession Duties Act. It is pointed out that in England exemption from taxation is allowed on insurance policies earmarked for the payment of death duties. In the United States of America exemption from taxation under the Federal Inheritance Tax Act is allowed on $40,000 when left in the form of life insurance payable to stated beneficiary that is in the preferred beneficiary class. In Nova Scotia and Saskatchewan exemptions are allowed on life insurance policies of $5,000 if beneficiary be in the preferred class. In Manitoba exemption is allowed on life insurance policies taken out for the express purpose of paying succession duties, and not according to the amount necessary.

Were No Claims Under Explosion Insurance

Explosion insurance passed through another year in 1923 without a loss. The premiums showed a big drop from $64,241 in 1922 to $37,329 last year. This business has been carried on in Canada for approximately eight years. The total premiums to date are $1,194,222, while the claims have been only $12,189.

	Prem.
Acadia	9
American Central	30
British America	756
British Crown	60
California	30
Columbia	8
Connecticut	34
Continental Insurance	2,655
Eagle Star and British Dominions	—955
Equitable Fire	48
Fidelity-Phenix	2,786
General Accident of Canada	4,158
Glens Falls	478
Globe and Rutgers	11,616
Great American	1,179
Guardian Assurance	929
Hartford Fire	4,737
Home	2,701
Insurance Co. of North America	1,199
Insurance Co. of State of Pa.	4
Liverpool-Manitoba	132
Mount Royal	364
National Fire	592
Niagara	—6
North British	1,842
Phoenix Assurance	9
Phoenix Insurance	363
Providence Washington	19
Royal Insurance	124
St. Paul Fire and Marine	80
Scottish Union and National	46
Westchester	229
Western	698
World Marine	375
Totals	37,329

HAIL LOSSES NEARLY EQUAL TO PREMIUMS

Reversal of 1922 Conditions—Surplus Provides Against Wide Fluctuations

The wisdom of the provision in the Insurance Act that companies transacting hail insurance must set aside 50 per cent. of the hail profits each year as a special hail surplus until this fund reaches 50 per cent. of the net hail premiums, is demonstrated by the results of the past year. While premiums were $4,404,092 and losses only $1,636,748 in 1922, the losses of $5,119,327 in 1923 were almost equal to the premiums of $5,322,643. The development of this class is comparatively recent, and the losses may fluctuate widely in different years. However, the losses during the past year were not as bad as in 1921, when they exceeded the premiums.

	Net prems. $	Net Losses $
L'Abeille (Bee-Hail)	114,180	92,469
Acadia Fire	74,991	64,833
Ætna Insurance	55,921	62,767
British Crown	131,884	141,346
British Oak	190,156	183,273
British Traders	117,608	105,220
Canada Security	460,672	465,248
Canadian Indemnity	196,906	148,300
Car and General	256,577	267,680
Connecticut	167,559	160,815
Continental	127,270	120,683
Eagle, Star and British Dominions	55,533	60,224
Employers Liability	96,214	91,768
Excess	42,800	40,854
Federal	48,103	44,445
Fidelity Phenix	102,055	107,377
Firemen's Insurance	33,815	25,835
Gen. Accident of Can.	24,500	15,925
General Accident Fire	177,034	137,010
Glens Falls	167,559	160,715
Great American	145,496	142,269
Hartford Fire	565,577	367,830
Home Insurance	504,415	609,556
Imperial Assurance	64,288	55,527
Ins. Co. of N. America	55,921	62,875
London Guar. & Accid.	174,607	225,705
Merchants Fire	136,370	138,482
National Provincial	75,280	53,191
National Union	93,567	120,178
Niagara	95,592	88,125
Occidental	66,723	52,409
Phoenix Assurance	74,991	64,833
Phoenix Insurance	167,559	160,815
Scottish Canadian	23,674	15,388
Security Insurance	56,406	53,491
Springfield Fire	55,921	60,577
Sterling	16,319	6,818
Union of Canton	141,085	183,637
Westchester	167,565	160,834
Totals	5,322,643	5,119,327

First British Insurance Company Established in Canada, A.D. 1804.

Phoenix Assurance Co., Limited
of London, England (Founded 1782)

FIRE LIFE MARINE

TOTAL RESOURCES, over $150,000,000.00
CLAIMS PAID EXCEED $800,000,000.00
DEPOSITS with Federal Government and Investments in Canada, for Security of Canadian Policyholders only, exceed .... $ 3,000,000.00

AGENTS WANTED IN ALL BRANCHES. APPLY TO

J. B. PATERSON, Manager.
C. W. C. TYRE, Secretary.
WM. LAWRIE, Treasurer.

100 Francois Xavier Street Montreal

Increasing Dividends

During the present year, Crown Life Policyholders are receiving larger Dividends than ever before. This means that their insurance is costing them less. It will pay you to investigate the many attractive features of Crown Life policies.

Branch Offices throughout Canada
Home Office: Crown Life Bldg., Toronto

CROWN LIFE
INSURANCE COMPANY

A.D. 1720 Fire Insurance A.D. 1924

THE LONDON ASSURANCE
of England

"Tested by the Fires of Over Two Centuries"

Assets Exceed $45,000,000. Applications for Agencies Invited.

ARMSTRONG, DEWITT & CROSSIN, Toronto, General Agents.
D. L. DURRANT, Toronto, Inspector for Ontario.
Head Office for Canada: Montreal.

W. KENNEDY Joint Managers W. B. COLLEY

Beaver Fire Insurance Company
A Canadian Company
President: W. J. CHRISTIE
Vice-Presidents: G. W. ALLAN, K.C., and A. GOUZEE
Directors:
G. DE JARDIN, JOHN GALT, F. T. GRIFFIN, D. H. LAIRD, K.C., C. M. EDE
Managing Director: A. DE JARDIN
Head Office:
Winnipeg, Manitoba

Mount Royal Assurance Co.
Head Office - Montreal

Annual Income - - $1,400,000
Surplus and Reserves, - $2,000,000
Total Funds, - - - $2,000,000
Total Losses Paid, - - $7,000,000

Agents at all points, always at your service

P. J. PERRIN, General Manager

Established 1889.

The Dominion Life
Assurance Company

HEAD OFFICE - WATERLOO, ONT.

Insurance in Force $65,796,389
Annual Income 2,650,092
Reserves 7,836,607
Surplus 1,339,673

Excellent Profit Earning Record

THOS. HILLIARD, President.
FORD S. KUMPF, Managing Director.

ISSUED MORE LIFE POLICIES THAN IN TWO FORMER YEARS

Nearly Four Billions of Life Insurance in Force

BIG FOREIGN BUSINESS

Canadian and United States Companies Dominate Field —1920 Group Record Not Equalled

The amount of ordinary life insurance in force in Canada reached the large total of $3,433,337,268 on Dec. 31, 1923, according to the figures given in the abstract of the Dominion Superintendent of Insurance published in this issue. In addition, there is $85,768,592 of group insurance in force, and a smaller volume of business held by life companies operating under provincial licenses only. The Ontario companies had $31,950,913 of insurance in force, and other provincial companies would increase this figure to between fifty and sixty millions. Thus, the total life insurance in force in Canada is nearly $3,600,000,000, a new high record.

Increase New Business

An analysis of the abstract reveals that the past year was one of substantial growth. The net amount of new insurance paid for in Canada was $548,640,800, an increase of $46,361,467 over 1922. This indicates a gratifying reversal from the underwriting conditions of the previous two years, when the amount paid for decreased from $630,110,900 in 1920 to $514,654,111 in 1921, and to $502,279,333 in 1922. At the same time group insurance totalled $17,435,455 an increase of $6,419,462 over 1922. While the latter was slightly in excess of the amount in 1921 it was only a fraction of the total of $66,704,855 in 1920. It is evident from this that the slump in general business conditions has placed a barrier against increased group insurance business which may be difficult to overcome entirely for some time to come.

The total claims during the year were $28,994,411 under ordinary and industrial business, and $486,664 under group policies. These are increases over 1922 of $2,143,511 and $66,174 respectively. The net death claims were $21,041,884 under ordinary and industrial, and $444,244 under group policies.

The figures given indicate a continuation of the tendency of Canadian and foreign (principally American) companies to dominate the field, and of the British companies to restrict their operations in life insurance in Canada. In the case of Canadian companies, increases are recorded in Canada and abroad. Their total new insurance paid for during the year was $476,029,647, of which $347,244,855 was in Canada, and $128,784,792 out of Canada. These represent increases over 1922 of $38,079,574 in Canada and $28,323,018 out of Canada.

While the Canadian companies have been developing their business in Canada at a rapid rate, the tendency to build up a big foreign business indicates particular aggressiveness. The net amount of insurance which these companies had in force outside Canada at the end of the year was no less than $680,592,787, a substantial proportion of the grand total of $2,867,997,734. This amount represents a good increase from $573,648,291 in 1922, and from $462,867,197 in 1921.

Much the same rate of increase is shown by the American companies in their Canadian business. The net new insurance paid for totalled $182,346,894, as compared with $169,578,715 the previous year. This brings the total insurance in force up to $3,422,337,268. The British companies issued new paid for insurance of $19,049,051 during the year. This is less by $4,486,259 than the amount written in 1922. However, the insurance in force showed a gain from $93,791,180 in 1922 to $97,860,815 at the end of 1923.

Greater Profits Shown In Sprinkler Business

The favorable conditions in sprinkler insurance in 1922 continued during the past year. The premiums written were $106,971 as compared with $92,826 in the former year. The loss ratio of approximately 42 per cent. in 1922 was further reduced last year to less than 30 per cent., many companies having no losses at all. Eight new companies entered the field, bringing the number up to twenty-seven.

	Net Premiums	Net Losses
	$	$
Agricultural	953	None
American Lloyds	3,386	793
Connecticut	290	None
Equitable Fire	111	None
Glens Falls	892	366
Great American	837	None
Guardian Assurance	5	None
Guard. Ins. Co. of Can.	867	None
Hartford Fire	27,059	9,473
Home	31,734	10,309
Individual Underwr'rs	3,234	735
Ins. Co. of North. Am.	6,721	2,141
London Guar. & Acc.	2,563	None
Maryland Casualty	18,445	4,303
National Fire	38	None
New Hampshire	13	None
New York Reciprocal	3,468	155
Niagara	75	None
Phoenix Insurance	6	None
Royal Insurance	1,009	None
Prov. Washington	29	None
Scottish Un. & Nat.	1,131	2,640
Security	172	None
Springfield	2,960	252
Sprinklered Risk	507	356
Westchester	6	None
World Marine	460	None
Totals	106,971	31,523

Abstract of Life Insurance Written in Canada Last Year

Canadian Life Insurance Companies

Company	Net Premium Income	Net New Insurance Paid for	Net Assurance in Force	Net Death Claims	Total Claims
	$	$	$	$	$
Canada—					
Ordinary (a)	7,712,041	28,295,463	222,321,338	2,193,256	2,767,995
(b)	6,118,835	32,892,745	143,836,661	960,931	1,465,641
(c)	13,830,876	61,188,208	366,157,999	3,154,187	4,233,636
Group (a)	118,193	2,315,550	8,884,610	49,400	47,880
(b)	60,740	198,597	7,840,037	36,700	36,700
(c)	178,933	2,514,147	16,724,647	86,100	84,580
Capital	271,120	1,413,750	8,410,935	33,122	35,144
Commercial	128,131	1,004,000	5,077,538	15,000	9,000
Confederation (a)	4,629,224	18,707,796	132,981,876	960,674	1,332,884
(b)	1,498,032	5,185,096	30,785,706	193,822	327,395
(c)	6,127,256	23,892,892	163,767,582	1,144,496	1,660,279
Continental	703,062	3,404,535	20,524,819	67,837	177,925
Crown (a)	1,327,038	9,749,494	38,828,101	132,207	236,672
(b)	34,246	557,711	1,039,197	1,000	1,000
(c)	1,361,284	10,307,205	39,867,298	133,207	237,672
Dominion	2,091,379	9,710,523	61,463,959	227,536	362,486
Eaton—					
Ordinary	99,055	1,967,664	3,306,154	1,000	1,000
Group	1	....	....	....	6,500
Excelsior—					
Ordinary	1,642,628	7,535,661	50,229,328	209,788	384,983
Industrial	774	....	21,106	451	514
Great-West—					
Ordinary (a)	10,626,646	48,272,860	325,817,156	1,500,774	1,800,155
(b)	629,441	8,338,274	21,954,156	46,500	47,646
(c)	11,256,087	56,611,134	347,771,312	1,547,274	1,847,801
Group (a)	37,902	859,625	2,426,929	9,700	11,160
Imperial (a)	4,750,212	21,740,783	133,528,241	616,824	847,421
(b)	584,329	1,871,412	12,029,258	135,144	145,518
(c)	5,334,541	23,612,195	145,557,499	751,968	992,939
London—					
Ordinary (a)	3,156,017	20,635,523	96,696,918	337,410	381,284
(b)	3,132	....	92,500	....	....
(c)	3,159,149	20,635,523	96,789,418	337,410	381,284
Industrial (a)	1,994,623	19,201,194	54,653,842	761,601	302,859
Group (a)	8,393	131,450	337,550	3,000	1,300
Manufacturers—					
Ordinary (a)	5,873,626	26,514,534	162,421,665	719,549	1,197,253
(b)	3,629,560	19,264,987	77,187,380	618,467	951,172
(c)	9,503,186	45,779,521	239,609,045	1,338,016	2,148,425
Group (a)	1,053	....	97,900	1,000	1,000
Monarch	965,719	5,189,450	33,512,238	124,010	109,356
Mutual of Canada (a)	9,678,409	33,555,572	258,981,997	1,357,972	2,044,348
(b)	57,133	135,500	1,588,414	13,000	19,000
(c)	9,735,542	33,691,072	260,570,411	1,370,972	2,063,348
National of Canada (a)	1,078,692	5,795,967	32,954,617	146,340	249,349
(b)	14,613	33,000	378,403	1,500	2,500
(c)	1,093,305	5,828,967	33,333,020	147,840	251,849
North American (a)	3,581,176	14,857,546	103,603,714	631,796	1,034,965
(b)	331,791	1,369,050	9,449,732	56,618	151,061
(c)	3,912,967	16,226,596	113,053,446	688,414	1,186,026
Northern	975,798	6,300,191	30,631,363	147,107	200,652
Saskatchewan	197,211	1,327,701	5,881,610	17,500	20,500
Sauvegarde—					
Ordinary	495,242	3,614,000	16,104,093	92,250	101,599
Group	....	....	130,600	1,600	....
Security	164,738	1,321,165	6,752,028	9,967	6,234
Sovereign	555,975	2,493,270	16,842,523	66,323	92,781
Sun—					
Ordinary (a)	10,956,491	38,650,069	307,338,324	2,055,924	3,133,901
(b)	17,961,984	58,219,034	371,253,090	4,415,808	6,852,517
(c)	28,918,475	96,869,103	678,591,414	6,471,732	9,986,418
Thrift (a)	12,007	....	341,124	5,197	46,903
(b)	11,902	....	335,360	6,196	43,643
(c)	23,909	....	676,484	11,393	90,546
Group (a)	236,415	6,938,433	21,674,453	121,250	127,162
(b)	27,456	719,386	2,822,893	27,733	26,225
(c)	263,871	7,657,819	24,497,346	148,983	153,387
Travellers of Canada	600,337	4,364,275	17,324,937	79,376	63,717
Western	188,486	1,376,811	7,301,361	28,000	22,970
Total, 1923 (a)	74,857,814	347,244,855	2,187,404,947	12,724,741	17,159,852
(b)	30,963,194	128,784,792	680,592,787	6,503,419	10,070,018
(c)	105,821,008	476,029,647	2,867,997,734	19,228,160	27,229,870
Total, 1922 (a)	67,881,717	309,165,308	2,013,722,848	11,312,339	16,067,831
(b)	26,393,611	100,461,774	573,648,291	4,786,446	7,607,862
(c)	94,275,328	409,627,082	2,587,371,139	16,098,785	23,675,693
Increase, i; decrease, d.					
(a)	i 6,976,097	i 38,079,547	i 173,682,099	i 1,412,402	i 1,092,021
(b)	i 4,569,583	i 28,323,018	i 106,944,496	i 1,716,973	i 2,462,156
(c)	i 11,545,680	i 66,402,565	i 280,626,595	i 3,129,375	i 1,716,973

(a) In Canada. (b) Out of Canada. (c) Total business.

British Companies, Canadian Business

Company	Premium Income	Insurance Paid for	Assurance in Force	Death Claims	Total Claims
	$	$	$	$	$
Commercial Union	18,825	55,000	573,515	24,508	30,368
*Edinburgh	114	....	14,923	2,412	2,412
*Gresham	163,402	....	4,565,224	19,507	12,045
*†Life Assoc. of Scotland	1,841	....	156,814	26,299	29,901
*Liverpool and London and Globe	2,706	....	130,359	....	527
London and Scottish	665,222	2,264,693	**19,400,000	178,185	411,619
‡Mutual and Citizens'—					
Ordinary	273,991	3,227,675	7,939,779	32,845	17,763
Industrial	402,415	7,413,520	8,934,504	82,952	39,571
North Brit. & Mercantile	71,521	100,500	2,017,923	12,821	10,171
*Norwich Union	1,757	....	75,382	3,307	3,307
Phoenix of London	210,532	286,500	7,233,406	132,571	157,165
Royal	715,195	3,093,447	21,279,931	146,815	278,883
*Scottish Amicable	292	....	22,113	2,858	5,127
*Scottish Provident	93	....	15,050	....	....
†Standard	779,828	2,607,716	25,406,763	376,445	700,198
*Star	2,940	....	95,129	3,556	9,784
Total, 1923	3,310,674	19,049,051	97,860,815	1,045,081	1,708,841
Total, 1922	2,914,378	23,535,310	93,791,180	1,084,489	1,762,359
Increase, i; decrease, d.	i 396,296	d 4,486,259	i 4,069,635	d 39,408	d 53,518

*These Companies have ceased transacting new business in Canada.

†Date of returns—Life Association of Scotland, April 5, 1923.
Standard, Nov. 15, 1923.

‡In previous years this company has made its returns as at Nov. 30. For 1923 the return was made as at Dec. 31 so that the figures for this company for 1923 include 13 months' business.

**Estimated.

Foreign Companies, Business in Canada

Company	Premium Income	Insurance Paid for	Assurance in Force	Death Claims	Total Claims
	$	$	$	$	$
Ætna Ordinary	1,295,399	6,231,183	46,212,055	425,511	685,920
Group	144,425	337,650	14,778,075	93,450	98,650
*Connecticut Mutual	18,953	....	798,930	21,913	17,035
Equitable Ordinary	1,089,577	78,486	31,197,646	533,025	835,121
Group	41,024	....	2,988,350	18,050	18,050
Guardian	12,312	22,343	208,070	....	1,029
Metropolitan					
Ordinary	8,804,801	46,008,532	286,595,944	1,409,998	1,876,774
Industrial	10,038,874	37,930,257	218,682,835	1,374,914	2,176,582
Group	214,439	4,469,430	20,325,656	85,950	91,054
Mutual of New York	2,161,972	8,028,399	58,945,194	643,744	817,283
*National of United States	122	....	18,869	1,258	1,258
New York	4,662,977	15,617,621	134,119,665	950,234	1,552,536
*Northwestern Mutual	666	....	40,913	6,410	6,000
*Phoenix Mutual	15,820	....	74,953	15,730	15,730
*Provident Savings	18,727	....	649,388	20,492	29,690
Prudential					
Ordinary	3,278,996	15,789,971	96,885,384	407,856	500,236
Industrial	5,606,674	30,712,051	142,128,554	825,462	714,306
Group	755	....	47,000	....	....
State	37,785	67,500	1,247,487	2,545	3,045
Travellers of Hartford					
Ordinary	1,766,193	13,857,154	68,590,894	230,916	394,229
Group	155,591	2,383,317	14,077,469	60,844	83,908
Union Mutual	293,064	707,000	8,783,988	140,448	199,970
United States	20,316	106,000	674,187	3,312	7,312
Total, 1923	39,679,462	182,346,894	1,148,071,506	7,272,962	10,125,718
Total, 1922	36,099,605	169,578,715	1,063,874,968	6,553,753	9,020,710
Increase, i; dec., d.	i 3,588,857	i 12,768,179	i 84,196,538	i 718,309	i 1,105,008
Totals in Canada only —All companies					
1923	117,847,950	548,640,800	3,433,337,268	21,041,884	28,994,411
1922	106,886,700	502,279,333	3,171,388,996	18,950,581	26,850,900
Inc., i; dec., d.	i 10,961,250	46,361,467	i 261,948,272	i 2,091,303	2,143,511
Total group business in Canada only— All companies (included above)					
1923	958,191	17,435,455	85,768,592	444,244	486,664
1922	918,113	11,015,993	83,919,786	384,030	420,490
Inc., i; dec., d.	i 40,078	i 6,419,462	i 1,848,806	i 60,214	i 66,174

*These companies have ceased transacting new business in Canada.

CLAIMS ON HYDRO INSURANCE EXCEED TOTAL PREMIUMS

Rebate of Commissions Dealt With in Gregory Report

To have paid out $390,578 in fire insurance premiums and collected in payment of claims no less than $494,142, a net gain of $103,564 is the profitable experience of Ontario's Hydro system. These facts are revealed in the findings of the Gregory Commission. They have a special significance because they represent the underlying conditions which are productive of the present agitation among the insurance companies for higher rates.

Lost Rebates Since 1921

The report has given rise to some dicsussion of the methods employed in placing the insurance. Formerly an employee of the Hydro held a license to sell insurance, and the commissions received by him on the Hydro's business were turned over to the system. In 1921 his license was cancelled and the Hydro lost the commissions. In the years 1919 to 1921 these rebates totalled $39,177.

While there may be justification for allowances on insurance of such a system on the ground that it is directly placed with little effort on the part of the brokers, the practice of issuing licenses to employees of concerns with much insurance to place has long been condemned in insurance circles. Through it, companies have been able to retain the commissions which would otherwise go to men devoting their full time to insurance.

Carries Own Risks

A large part of the Hydro insurance—that on automobiles, the Central Ontario power system, and Workmen's Compensation—is borne by the system itself. The statement of these funds is as follows:

Insurance reserve		$590,809
Less outstanding claims:		
Employees' accident	$166,653	
Automobiles	500	
Peterboro Railway	1,700	
Central Ontario Syst.	150	
Miscellaneous	5,000	
	$174,003	
Provision to cover pensions awarded by workmen's compensation board	392,735	
Acounts payable	5,700	
		$572,439
Surplus		$ 18,370

There is something to be said for both contentions on the rebating question. On prominent business man showed a representative of THE FINANCIAL POST recently premium notices amounting to hundreds of dollars from a well-known firm of brokers. He stated that he had not heard from the brokers since the premiums were due the previous year, and that much the same had been true for some years, except for an occasional adjustment or small claim. For a minimum of work the brokers collected large commissions each year. Such a condition is harmful, because it gives rise to a feeling on the part of the policyholder that he is paying too much for his insurance.

Gives Sound Service

Contrast with this the service given by a large insurance broker in an Ontario city. A large office is maintained, and much work is done in addition to the actual routine of keeping the policies properly in force. The case and needs of each policyholder are periodically reviewed. Where co-insurance clauses exist the valuation of the property insured is carefully watched. Factories insured through the brokers are inspected and fire prevention suggestions made. Signs of warning against fire are distributed for display in places frequented by employees, and other literature is issued.

This broker is giving meritorious service to his policyholders, the companies he represents, and the community at large. Moreover, he has gained such a reputation that business has come to his office easily in competition with others, and the returns have justified the extra effort entirely aside from the unbounded satisfaction which those connected with it enjoy.

Premiums For Boiler Inspection Are Higher

The premiums of boiler insurance were $360,084 in 1923 as compared with $300,126 the previous year. The losses totaled $12,457. To anyone who is not familiar with circumstances under which this class is written the losses may appear extremely small. It should be pointed out that approximately 50 per cent. of the premiums received by the companies is expended in an efficient system of inspection. The government regulations require inspection of boilers according to certain specifications, but they allow the inspection of the insurance companies to take the place of this. As the cost of insurance is very little more than the inspection costs, insurance, with the security that if a loss should occur the owner will be reimbursed, is the logical choice in most cases. Thus a great deal of money is spent on inspection which might otherwise be necessary to meet claims.

	Net Premiums	Net Losses
	$	$
Boiler Inspection	158,631	3,340
Employers' Liability	24,208	59
Fidelity and Casualty	22,273	3,077
Gen. Acc. of Canada	40,172	3,979
Guard. Ins. Co. of Can.	16,594	None
Hartford Steam Boiler	1,200	None
Maryland Casualty	26,864	985
Royal Indemnity	—566	269
Travelers Indemnity	70,708	748
Totals	360,084	12,457

The Fire Insurance Company
of Canada.

HEAD OFFICE : 142 NOTRE DAME STREET, MONTREAL

HON. R. DANDURAND, President.
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Capital Subscribed, $500,000. Paid Up, $200,000.
Assets, $601,165.

The reliable insurance agent has the moral obligation of contributing to the prosperity of a Canadian Company—not one of name only but one of fact.

IF YOU DO NOT REPRESENT US APPLY FOR AN AGENCY.

Cash Capital $2,000,000
NEW HAMPSHIRE FIRE INSURANCE CO.

54 years of Existence
54 years of Progress
54 years of Satisfaction
to Policyholders

CANADIAN DEPARTMENT
17 St. John Street - Montreal

R. deGRANDPRE,
Manager.

The Commercial Life
Again Shows Substantial Gains

Business in force increased	30%
Premium income increased	43%
Total income increased	21%
Reservés increased	73%
Assets increased	39%
Interest earnings increased	20%
Interest earned	over 8%

Year	Business in Force	Assets	Policy Reserves	Premium Income	Total Income
1918	$ 184,000	$ 71,905	$ 11,825	$ 5,578	$ 11,278
1919	399,000	95,428	17,731	9,400	34,978
1920	723,000	109,699	29,763	22,586	53,444
1921	2,648,000	179,091	66,294	57,260	130,151
1922	3,920,000	229,725	123,938	89,368	143,787
1923	5,117,000	319,424	214,133	128,131	173,138

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UNQUESTIONABLY SOUND

The Commercial Life operates under a Dominion Charter and License and complies in every particular with the stringent requirements of the Dominion Insurance Act and is subjected to the personal inspection of trained Auditors from Ottawa. Never has a policyholder of a Dominion Chartered Company lost a dollar through the failure of such a Company to fulfil its obligations.

Complete Annual Report will be mailed on request.

Head Office Edmonton, Alta.

COMMERCIAL LIFE ASSURANCE COMPANY
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READJUSTMENT OF FRATERNALS SOON TO BE COMPLETED

Nearly All on Sound Basis; New Rates are Attractive

Are fraternal societies in Canada entering on a new era of development? This is a question which is being asked in insurance circles. The readjustments of recent years have provoked wide differences of opinion and met with strenuous objection in some quarters, especially from the older members of the societies. However, the changes, which were considered absolutely necessary if the fraternals were to continue to meet their liabilities, have been gradually effected. To-day the process is almost completed, and the officials of the societies are hoping for more prosperous times. In commenting on the situation in the introduction to his report for 1921, the Ontario Superintendent of Insurance said: "It is now generally recognized that there is still a field for friendly societies which grant insurance benefits, provided such societies place their financial soundness beyond question."

Terms Were Generous

For many years these societies flourished in Canada, and many of them attracted thousands to their organization. While they were young the finances appeared adequate, and working through local lodges, they increased their membership rapidly. The terms on which insurance was granted by them were much more generous than those enjoying their benefits realized. However, it was gradually realized that the rating system in vogue was violating one of the fundamental principles of mortality tables. The rates charged were sufficient to meet all charges year by year, and pay the death claims as they arose. As the early members grew older, the death rate among them showed a natural tendency to increase. It was then recognized that rates should be charged which would provide for death claims in the early years, and build up a reserve to take care of the heavier demand at a later date without any increase in rates. Hence arose the agitation for higher rates.

All attempts at readjustments were strenuously resisted by the older members in each case, but the officials persisted, and some succeeded in gaining ground. However, it was realized that a society which was financially sound suffered from being classified with others which were not, and legislation followed to effect a general readjustment of fraternal conditions. In 1919, the Dominion government passed an amendment to the Insurance Act providing that a license to transact insurance business would be refused to any society which was not actuarily sound after March, 1925. In 1921 the Ontario legislature amended the Insurance Act, providing for the readjustment of societies under Ontario licenses.

Complete Adjustments

Practically all of the societies, both Canadian and foreign, under Dominion license have met the requirements of the Act, and are now offering the public insurance at sound, yet attractive, rates. The Ontario legislation outlined a form of procedure by which the Superintendent of Insurance could make a report on the affairs of any society to the minister. The latter then made a request to the society that it make an adjustment within a time specified, but not exceeding four years. It then provided that the governing body in the society should take steps to effect the change. If this were not done the minister was empowered to appoint an adjustment committee to place its affairs on a sound basis. Some of the societies made the required changes voluntarily. Others were unable to do so because of the refusal of the members to sanction it at a meeting called for the purpose. In these cases the adjustment committee was appointed and carried out the changes. At present there is only one important society which has not met the full requirements, but even in this case a partial readjustment was made in 1918.

New Rates Reasonable

In the face of the highly efficient and aggressive selling forces of the legal reserve life insurance companies, and the air of uncertainty around fraternals, with the resentments bred in the disappointments of old members, the fraternals have not been holding their own in the drive for new business. Even the most careful review of the whole fraternal history and lengthy explanations have failed to convince many that, what is a fact their actual loss has been exceedingly small in any case, if any. A comparison of the low rates, which many were assessed for years, with the cost of bare protection against death year by year, known as term rates, in life insurance companies, shows them to have been substantially less. With sound finances and adequate rates the societies offer insurance with monthly payment premiums at attractive rates, a sample being a twenty payment life policy for $1,000 at age 30 for a monthly premium of $1.82 or $21.84 a year. In the same society a $1,000 endowment at 65 may be obtained at age 30 for a monthly payment of $1.66. Policies are usually issued for amounts of $250 to $2,000. To what extent the fraternals will succeed under the new conditions in competing with regular life insurance companies for business remains to be seen. The opinion of some financial men not connected with any society is that they can and will continue to secure a substantial share of insurance business for many years.

Soldiers' Insurance Over Forty Millions

OTTAWA.—The number of policies issued in connection with returned soldiers' insurance in effect on March 31 last was 17,152, representing $40,906,230. The policies issued during the year ending March 31, 1923, were 9,723. Of these, 6,025 were taken out by privates, to the value of $12,324,000; by non-coms., 2,442, to the value of $5,392,000; by lieutenants, 674, with insurance representing $2,231,000; by captains, 367, representing $1,343,000.

The Place of Life Insurance in Extending Lines of Credit

Is an Evidence of Customer's Will to Make Sacrifices For Success—Applied More Directly to Partnerships

By **EDWIN BAXTER,**
Vice-president Cleveland Trust Company.

Insurance companies and banks are credit institutions. The development of modern civilization is due largely to the development of credit. The free and facile exchange of goods for goods, of goods for services, and of services for services, is a fundamental condition of civilization. Until man was able to produce a surplus over the requirements of mere existence, and until he was enabled to exchange that surplus for comforts, luxuries and furniture for his mind, there was no civilization. To-day we exchange readily our surplus for the services of the scientist and the artist of Europe, the simpler products of the laborer of Asia, the ivory of the nomadic hunter of Africa. We can do this because we have developed a medium of exchange and a standard of value, which is money; but we could not make these exchanges in any volume if we had not developed amazingly something much more readily exchangeable than money, and as reliable, which is credit.

As credit institutions, insurance companies and banks have many points of similarity. They both fundamentally depend upon one great trait inherent in human character, but not developed in every individual, and often requiring every effort we can make to develop: the willingness to wait for future gratification. It is called by many other names, such as foresight, self-denial, thrift. It actually is merely recognition of the fact that the most gratifying pleasures to the cultivated mind and heart are not those of the passing moment, but those which can be bought only by the daily accumulation of some part of the surplus product of our labor, saved instead of spent for daily pleasure. Those future gratifications range from the ice-cream which the youngster expects to buy next Saturday, to the comforting sense of security for his family which the mature man is buying when he pays insurance premiums; from the hard-won leisure for study and travel, to the supreme pleasure tasted by the man of achievement when he makes a will or a trust agreement devoting much of his surplus to some foundation, or the community trust in his city, to be put at work earning income which for long after his death will be expended for the benefit of humanity in the community that has helped him to achieve his success. When part of the proceeds of insurance policies are entrusted to a trust company for such purposes, the trust officer and the insurance man who have brought it about share in one of the greatest possible gratifications—the sense of having done well a task supremely worth while.

Must Select Risks

Banks and insurance companies alike, too, in making loans, as well as in soliciting customers, must select their "risks." They are peculiarly under the obligation of making the most careful selection, the most rigorous investigation of those who wish to borrow, because their loanable funds are trust funds which belong to depositors and policyholders.

In selecting those "risks" for loans, a bank demands the well-known and trite "three C's of Credit"—Character, Capacity and Capital. These are the three essentials; no two of them are sufficient without the third, except in rare cases. Occasionally a man who has no capital may be worthy of credit; rarely a man who has no capacity to earn money may be worthy of credit, if he has inherited capital of sufficient volume, well safeguarded; in no case is a man worthy of credit who has not a developed and tested character.

Now, when a banker talks to you about character as the chief of the three C's do not understand him as setting up for himself or his borrower any impossible Puritanical standards. Obviously, not every borrower worthy of credit is a pattern of all the virtues. He may even be a mean and overbearing husband, though credit men who look into the domestic relations are not wanting; because divorces have a way of being expensive as well as detrimental to the capacity of the business man. But one fundamental of character he must demonstrate, and that is the desire and intent to meet his obligations.

And one thing that indicates a desire and intent to meet obligations is the possession of life insurance adequate to meet the contingency of death before any particular loan is paid. The applicant must have proved his capacity by past success in some degree. The capital he has accumulated is a reliable index of his capacity as well as of his character, because it proves he has exercised at least the virtues of self-control and willingness to wait, which build character, and develop foresight. If he has shown foresight enough to provide a sufficient volume of insurance to meet his obligations not only to his creditors but also to his family he is likely to be the kind of man worthy of credit; at least he should have established one very material point in his case, and at least he has acquired a collateral security having the rare virtue of being most likely to enhance in value.

Best for Partnerships

For a partnership, life insurance may be even more important, if not to the banker, at least to the partners. In these days of corporate organization, the majority of partnerships doubtless are personal service enterprise, in which to a very great degree, the success of the business is dependent upon the capacities as well as the capital brought into the business by the partners. Very great credit is due the insurance brotherhood for its work in promoting partnership insurance in recent years. Such insurance, in my judgment, should in many cases include trust agreements with a responsible trust company, so that not only the immediate obligations of the partners to creditors may be insured, but that the surviving partner may be bound to purchase, and may be placed in funds to purchase the interest of the deceased partner, and the estate of the deceased partner may be relieved of a responsibility often impossible for the executor or the family to assume successfully. The importance of this provision to each partner is apparent when we reflect that nothing is more likely to infect a business with dry rot than the loss of incentive on the part of surviving participants who feel that they are working largely to provide income for nonproductive members of the family of a deceased owner. And so, on the other hand, the income of such a business to the deceased partner's family is rarely reliable.

In the case of a corporation, life insurance may be slightly less important to the bank than in the case of an individual or partnership, but it may have great importance in many cases. Nearly every banker would prefer to make loans to a corporation so thoroughly established and so ably organized as to be certain of continued success, no matter who dies among its officers. The "one man" corporation is likely to be looked upon doubtfully by the cautious banker. But because this is so, it may very well be true that some such concerns (and every concern is dependent upon some one man at some stage of its development) can be considered as admissible credit risks only upon consideration that their key men are adequately insured. And obviously, too, in many a successful business there are men whose services are so productive that policies on their lives would be most desirable to the corporation itself, if only to provide for the loss that might be incurred during the period when their successors are learning to take their places. In such cases few bank officers would question life insurance premiums as a justifiable expenditure of the corporation.

Avoid Using Cash Value

Of course, the cash surrender value of any insurance policy is a perfectly admissible asset. On the other hand, the statement is likely to be weak which needs such an item to bolster the asset side of the ledger. It is, to be sure, a form of reserve, and a very proper and desirable form; and a surplus represented by such a reserve in 1921 for example, would have been much more welcome to the banker's eyes than many a surplus which was represented by inflated valuations of land and buildings and machinery for which there was no "gainful occupation" at that time.

It is true that management is the fundamental factor in the success or failure of any enterprise. It is eternally true that the assets of a going business and the assets of a dead business, though identical physically, may be as different in value as day and night. Machinery running at a profit and machinery idle are two very different kinds of things Because only good management can keep most businesses going, it seems to me obvious that whenever any manager is important enough to any concern to have his life insured for the benefit of the business, the amount of the insurance should be adequate to meet any loss that would probably be incurred by his death; a smaller policy is of little value.

Forgery Losses Nearly Triple Those in 1922

While the premiums from forgery insurance increased from $18,719 in 1922 to $23,060 last year, the losses more than doubled from $5,572 to $14,539. As in the previous year the bulk of the losses were borne by the National Surety Company.

	Prem.	Losses
Canadian Surety	$ 396	$ 1
General Indemnity	104	None
Globe Indemnity	116	None
Grain	7,789	None
Maryland Casualty	123	None
National Surety	11,241	13,984
United States Fidelity and Guaranty	3,291	554
Totals	$23,060	$14,539

The National Surety Company is the only one in Canada writing fraud insurance. Last year premiums of $18,311 were received and the losses totaled $3,005.

GIVE REALTOR CHARGE OF CITY PROPERTIES

Seek to Save Money for Municipality in Big Real Estate Transactions

Recent developments in municipal affairs in Canada and the United States have indicated a growing desire to place the finances of municipalities in the hands of experienced financial men to avoid the heavy losses suffered in the past through lack of knowledge. Savings effected in this way have been so evident that some American cities have extended the principle to the management of their real estate. Milwaukee was the first city to appoint an experienced realtor to look after its property. The plan was adopted in January, 1922, in the belief that the city had paid too much for properties acquired in previous years. The terms recommended by the city real estate agent are subject to the approval of the public lands commission and the council Two additional realtors have since been added to the staff.

The Detroit city council has requested the corporation counsel to draw up an ordinance creating a real estate director for the city. The director would keep an accurate check on all property acquired or to be acquired by the city. In him, it is proposed, would be centralized a responsibility for city property now supervised by the city plan commission, city treasurer, controller, assessors and engineer, together with that held by various city departments.

THE SASKATCHEWAN MORTGAGE TRUST CORPORATION, LIMITED, REGINA, SASK.

BALANCE SHEET

Year Ending December 31st, 1923

ASSETS

Capital Account:			
First Mortgages on Real Estate and Accrued Interest thereon		$ 501,468.08	
Agreements for Sale and Accrued Interest thereon		134,479.88	
Loans and Advances to Trust Estates under Administration		228,899.12	
Eleventh Avenue Stores	$54,708.06		
Property Acquired through Foreclosures	76,975.17		
		131,683.23	
Cash on Hand and in Banks............		14,858.87	
Furniture and Fixtures		445.00	
			$1,011,834.18
Guaranteed Account:			
First Mortgages on Real Estate and Accrued Interest thereon...			50,403.30
Estates, Trusts and Agencies:			
First Mortgages on Real Estate and Accrued Interest thereon		9,553.75	
Dominion and Saskatchewan Government Bonds		30,429.56	
Cash on Hand and in Banks		14,459.21	
		54,442.52	
Assets of Estates under Administration, including Real Estate, Mortgages, Stocks, Bonds, etc., at Inventory Value		1,119,387.27	
			1,173,829.79
			$2,236,067.27

PROFIT AND LOSS ACCOUNT

By Balance brought forward from December 31, 1922			$ 19,499.73
Commissions received for Administering Estates, Acting as Trustees, Agents, etc., Interest on Loans, Profits on Guaranteed Funds, Rentals, etc.		$64,109.63	
Deduct Management Expenses, Salaries, Directors' and Auditors' Fees, Advertising, Rents, Taxes, etc.	$17,236.79		
Interest on Trust Funds......	3,867.13		
Reserve for Contingencies....	18,509.50		
		39,613.42	
Net Profit for Year			24,496.21
			$ 43,995.94

LIABILITIES

Capital Account:		
Capital Stock Subscribed	$ 844,050.00	
Less Unpaid	12,110.40	
Fully Paid Capital Stock	831,939.60	
Reserve Account	120,000.00	
		$ 951,939.60
Accounts Payable and Accruals	6,363.47	
Due on Mortgages and Agreements.....	11,740.47	
Appropriation for Income Tax for 1923	3,371.89	
		21,475.83
Profits Pending Realization............	29,663.93	
Balance at Credit of Profit and Loss...	8,754.82	
		38,418.75
		1,011,834.18
Guaranteed Account:		
First Mortgage Certificates and Accrued Interest		50,403.30
Estates; Trusts and Agencies:		
First Mortgage Agency Certificates and Accrued Interest	9,553.75	
Trust Funds for Investment and Distribution	44,888.77	
	54,442.52	
Inventoried Value of Original Assets of Estates Agencies, etc.	1,119,387.27	
		1,173,829.79
		$2,236,067.27

REVENUE APPROPRIATED AS FOLLOWS:

Dividend Nos. 28 and 29...........................		$ 31,923.80
Interest on Accumulative Stock..		955.22
Federal Taxes Paid for 1922............	$ 417.54	
Reserves for 1923 Taxes	1,944.56	
		2,362.10
		35,241.12
Balance Carried Forward		8,754.82
		$ 43,995.94

R. A. KIRKWOOD, Secretary.

Established 1871
ECONOMICAL MUTUAL FIRE INSURANCE CO.
Kitchener, Ont.

ASSETS - - - - - - - - -	$ 1,283,548.51
Total Insurance carried under 25,389 policies - -	$40,274,759.00
Government Deposit - - - - - - -	$ 100,000.00

OFFICERS
GEO. C. H. LANG, President.
L. J. BREITHAUPT, Vice-President.
W. H. SCHMALZ, Managing Director.
A. H. DEVITT, Inspector.

BOARD OF DIRECTORS
George C. H. Lang
Louis J. Breithaupt
P. S. Lautenschlager
H. L. Janzen
George Pattinson
Hartman Krug
Sheriff H. G. Lackner
Henry Knell
W. H. Schmalz

The Independent Order of Foresters

Incorporated by the Parliament of Canada
Organized in 1874

Total Assets
40 Million Dollars

FOUR NEW
FORMS OF POLICIES
NOW BEING ISSUED
BY THE SOCIETY

Life—20 Payment
(With Cash Surrender Values and Automatic Non-Forfeiture)

Life—20 Payment with Disability Benefit
(With Cash Surrender Values and Automatic Non-Forfeiture)

Old Age Benefit Certificate—
with 100% Disability and 100% Old Age Benefit
(With Cash Surrender Values and Automatic Non-Forfeiture)

Endowment—20 Year, with Disability Benefits
(With Cash Surrender Values and Automatic Non-Forfeiture)

The Society still issues its Standard Policy—"Whole Life" with 70% Disability and 70% Old Age Benefit.

Policies Issued from $1000 to $5000

Total Benefits Paid:
80 Million Dollars

HEAD OFFICE
Temple Building, Toronto, Canada

The Independent Order of Foresters

DEVISE POLICIES FOR BOTH SINGLE AND MARRIED MEN

Savings Equity May be Converted Into Increased Protection

The change of attitude toward life insurance which is effected by marriage only has to be experienced to be appreciated. Failure to realize the difference in viewpoints has been the stumbling block of many insurance salesmen. To the young man without the responsibilities of married life, with their impulse to immediate action on the insurance question, the element of protection is an indefinite consideration which may be conveniently postponed until some future date. Reminders that he may not be in such a physical condition as to permit the company to accept him then, often fail to meet with any definite response.

Problem Arises

Consequently the savings element becomes more important and receives special emphasis. With the many avenues in which to spend money, the value of enforced saving through endowment policies is rightly emphasized and appeals to many. One danger, which is evident from enquiries reaching THE FINANCIAL POST, is that the policyholder will marry at a later date and find himself unable to bear the cost of sufficient protection in addition to the endowment. Realizing his responsibilities, he is anxious to secure more insurance and often in such a case he thinks of reducing the endowment to a life policy in order to bring the annual cost within his means.

Meet Problem

In counseling such a move, it should be borne in mind that the only justification is to make it possible to carry more insurance on a cheaper plan. Otherwise the savings element is still valuable to a married man, as the danger of loss of this part of the savings is removed. However, to meet these circumstances, several devices have been used by companies with success. One of these is to sell the young man a 20 payment life policy on the participating plan with substantial cash surrender values. When the accrued profits are added to the latter, the amount, which really represents accumulated savings, approximates that of an endowment. Thus the savings element is preserved. To meet the demand for greater protection after marriage, the insured is given options at certain periods to accept the profits in the form of paid-up insurance instead of cash. In this way the face value of the policy, if he should die, is materially increased. Consequently the necessity for placing additional policies is partly reduced.

To meet such cases, one large company, which specializes in non-participating insurance, has recently adopted a new policy which provides for definite increases in the amount of insurance under it. The policy is really in the 20 payment life class but the premiums charged are slightly higher than those for the regular 20-payment life policy. The extra amount charged provides for increases in the face value of the policy according to a regular table, the total being $1,500 on each $1,000 at the end of 20 years. The cash and loan values are high and the options at the end of 20 years make it possible for the insured to secure the benefits of the extra premiums in cash if the protection is not further required.

Unique English Policy

To meet the needs of such cases, a unique policy has been adopted by the Royal Exchange Assurance Company in England. The scheme provides for a definite amount payable on a selected date, and the assured has the option of converting his policy at any time within three months after marriage into a with-profit whole-life contract for double the original sum assured, without alteration in premium or further medical examination.

In outlining the policy the company states:

The annual premiums in the table below provide a sum of £500 at the end of the periods stated, with the option of converting the policy within three months after marriage to a whole-life assurance for £1,000, carrying a guaranteed reversionary bonus of £25 per annum until conversion and participating in profits at the declared rate thereafter.

Age next birthday	Annual premium £	s.	£500 payable at end of Years	Months
18	18	10	20	6
19	18	18	20	3
20	19	6	20	0
21	19	16	19	6
22	20	6	19	3
23	20	16	19	0
24	21	6	18	6
25	21	16	18	3
26	22	6	18	0
27	22	16	17	6
28	23	6	17	3
29	23	18	17	0
30	24	10	16	6
31	25	2	16	3
32	25	16	16	0
33	26	10	15	6
34	27	4	15	3
35	28	0	15	0

It should be mentioned that premiums of less than £9 5s per annum will not be accepted under the above table. The number of premiums payable will correspond exactly with the periods stated, and if the policy be converted the premiums will be payable throughout life.

Should a man be aged 23 next birthday he pays an annual premium of £20 16s. If he marries when he is 32, say, he has a life assurance policy providing £1,250 (£1,000 sum assured, plus £250 bonus) for the immediate protection of his wife and participating in future profits. Should this protection be unnecessary, or the life assured remain single, the policy matures when he is 42 and a sum of £500 becomes payable, which represents a return of all the premiums he has paid accumulated at compound interest.

The savings element remains dominant until the insured produces his marriage certificate. This must be done within three months of the date of the marriage. When this is done the full protection automatically comes into force. Should circumstances other than marriage create a necessity for the extra insurance, the company holds itself ready to consider a similar conversion. This policy, specially designed for the purpose, seems to go a long way in meeting the requirements in such cases.

Abstract of Companies Licensed by Ontario Insurance Department

Life Insurance Companies

	Net premium income $	New policies issued* $	Net insurance in force† $	Claims paid $	Assets $
Commonwealth Life	80,717.81	3,074,228	3,359,365	6,969.65	164,357.35
Empire Life	19,827.84	1,082,475	846,475	....	107,571.61
Equity Life	147,269.25	919,654	5,142,478	51,432.38	1,035,359.37
Ontario Equitable Life	502,554.33	8,327,639	19,904,479	58,311.18	1,434,216.70
Reinsurance	48,871.21	1,990,312	2,698,116	15,669.56	312,365.43

*Including old revived and increased.

†After deducting reinsurance.

Joint Stock Fire Insurance Companies

(Fire Returns Only)

	Net premiums received $	Net losses paid $	Gross amount new and renewed $	Net amount at risk $
Federal Fire	97,364.57	32,909.64	14,132,156	8,735,776
Hand in Hand	295,406.75	233,974.74	28,707,527	28,882,797
Merchants' Fire	478,339.65	369,143.90	58,502,140	114,290,482
Provident Ass.	107,580.44	108,752.38	20,410,384	19,385,330
Queen City Fire	190,794.45	114,428.04	22,962,494	35,406,868
Toronto Casualty	52,782.00	43,869.60	9,781,153	7,320,177

Cash Mutual Fire Insurance Companies

	Net premiums received $	Net losses paid $	Gross amount new and renewed $	Net amount at risk $
A				
Economical	243,348.94	111,126.66	17,852,987	36,639,934
Gore District	303,476.20	141,507.91	22,559,314	45,770,728
Perth	206,300.98	109,529.76	25,341,253	41,925,291
Waterloo	309,599.06	153,055.53	35,695,222	55,959,959
B				
Wellington Fire	213,589.07	120,705.91	23,734,033	17,974,331

A—Without capital stock. B—With capital stock.

LIBERAL QUEBEC VOICES PROTESTS TO TARIFF CUT

(Continued from page 1)

agricultural, the first industry of Canada." He continued:

"I wish to state on behalf of the C.M.A., that we are not yet helping or opposing public men in our endeavor to educate public opinion to the pressing duty of the hour. In advocating tariff protection our sincere ambition is to convince all classes and all parties that it is the first if not the only remedy to the crisis now impairing the development, the independence, and the unity of this young country. In the course of the last five years Conservatives and Liberals alike have shown no sense of vision as far as the need of a protective and stable tariff is concerned.

"The Speech from the Throne hints at the reduction of protection on 'the instruments of production.' What are instruments of production? Do they include agricultural implements, machinery and tools, household furnishings and other things used by farmers? Do they include machinery and supplies and equipment used in manufacturing?

Many Plants Closed

"In the last four years over 2,300 manufacturing firms have failed and closed down. These contributed, of course, to increase the percentage of financial and commercial failures. The first result of so many failures was unemployment, and when people ceased to find work in Canada they left the native land to get their daily bread in the United States. The official returns of Washington show that over 180,000 Canadians entered the Republic last year, not counting thousands of others who went on a visit and forgot to come back.

"It seems reasonable to assume that the great majority of Canadians who emigrated to the United States in 1923 were heads of families or single men and women who were capable of earning an income. Children and others unable to earn were left behind, as far as possible, until the heads of families were established. No figures are available, but on a conservative estimate, at least two-thirds of those who went in 1923 could earn $20 a week, or $1,000 a year. If this is granted, those 120,000 people would earn $120,000,000 a year. Had they been able to secure employment in Canada, they would have stayed here, and the $120,000,000 of salaries and wages would have been distributed in Canada for food and other farm products, clothing, fuel, light, rent, taxes, amusements, traveling and other things. The part saved would have been deposited in the banks, used to purchase securities and insurance and to help pay for homes. All this is lost to Canada and will be spent in the United States in future.

Do Farmers Benefit?

"Who benefits by this policy of tariff reduction? If one could point to any large section of the population that is better off on account of these reductions, they might be defended. One of the reasons given for making them was that they would help the farmers. Have the past four years been profitable for the farmers of this province, or of any other province? Have these tariff reductions helped them? The United States, by raising its tariff, has practically shut off from its markets the products grown on the farms of Quebec. To reach other markets these farm products have to travel thousands of miles and pay high rail and ocean rates. Between 80 and 90 per cent., probably more, of the products of Quebec farms never leave the province. The farms sell the surplus in the cities, towns, and villages of Quebec. The tariff reductions of the last four years have been closing down industries and thereby reducing the populations and diminishing the expenditures of these cities, towns and villages; consequently, the farmers have not been selling so much of their products. There was not so much demand for them and, consequently, the prices have been low.

"The farms of Quebec were literally hewed out of the forest. Our pioneers underwent great hardships in order to bequeath to their descendants the splendid homes that may be seen in all parts of this province. These farms increased in value and yielded better returns as the cities, towns and villages grew and provided the market for farm produce. The main hardship of pioneer days was the lack of markets. The land was just as fertile. The people were just as industrious, but there was only a very small market for what they grew.

"Are the farmers in this province to be plunged back again into the hardships of pioneer life? That is the direction in which these repeated tariff reductions are tending.

Keep Canadians at Home

"We are told that immigration is the remedy for our country. What is the sense of an immigration policy when we can't retain native born on the land? What is the good of letting our splendid fellow countrymen go away and then tax ourselves to have foreigners come and see if they can adapt themselves to our life? What is the idea of bringing strangers on our soil when there is no work for the workingman, no market for the farmer, no confidence in the near future?

"Whether we like it or not, Canada is so situated that we have first to win our industrial and commercial independence before investing money soundly in immigration and colonization. The essential duty of a national government is to provide a market for the producing classes, the farmers and manufacturers. If we do not see that agriculture and labor receive as good treatment in Canada as they can expect in the United States, all efforts to keep this country growing and prosperous will be futile."

Losses on Inland Transportation Up

	Net prems. $	Net Losses $
Ætna Insurance	1,756	62
Alliance Insurance	687	139
American and Foreign	10,777	154
British and Foreign	4,790	None
Columbia	10,246	None
Dom. of Can. Guar. & Ac.	2,103	1,752
Fireman's Fund	2,708	745
Glens Falls	471	None
Globe and Rutgers	3,238	1,552
Great American	59	None
Guard. Ins. Co. of Canada	1,313	None
Hartford Fire	70,651	46,477
Home	9,013	822
Ins., Co. of North America	29,357	12,260
London Assurance	27,476	9,905
Marine	28,693	—2,565
New Hampshire	3,024	None
Ocean Marine	None	None
Queen Insurance	1,045	79
St. Paul Fire	38,279	20,451
Tokio	1,360	29
Union Assurance	2,886	247
Union of Canton	20,089	24,416
Union Marine	2,174	None
Western Assurance	16,235	5,276
Totals	288,430	121,801
Totals 1922	280,764	59,769
Totals 1921	323,517	104,688

Liability Loss Ratio is Nearly 65 Per Cent.

Four new companies entered the liability field in Canada during 1923. This includes all insurance which gives protection against injury to the persons of the public. The premiums on this class of businses showed a good increase from $2,334,690 in 1922 to $2,853,440 last year. At the same time the increase in losses paid was much greater, the amount being $1,842,486 in 1923 as compared with $1,119,546 the previous year.

Companies	$	$
Alliance Assurance	8,506	812
Autocar	1,222	None
British Oak	58,827	22,493
Canada Accident	40,718	20,773
Car and General	2,499	—66
Continental Casualty	56,680	118,900
Dominion Gresham	51,321	15,278
Dom. of Can. Guar. and Accident	8,141	1,301
Employers Liability	520,550	300,253
Fidelity and Casualty	4,703	2,511
Fidelity Insurance	250	None
Gen. Acc. of Canada	125,048	77,322
Globe Indemnity	273,882	155,682
Guard. Ins. Co. of Can.	32,186	15,017
Hartford Accident	48,590	20,573
Imper. Guar. & Acc.	2,481	222
Imperial Underwriters	654	673
Indemnity Insurance	123,124	74,155
Law, Union and Rock	23,684	6,884
London Guar. & Acc.	155,148	102,897
London and Lancashire Guarantee & Acc.	25,463	9,998
Maryland Casualty	36,471	18,588
Merchants & Empl'rs	156,387	105,138
North Amer. Accident	155,065	181,247
North Assurance	33,704	18,222
Norwich Union Fire	36,519	23,381
Ocean Acc. & Guar.	130,226	37,285
Railway Passengers	53,293	25,740
Royal Exchange	21,208	11,781
Royal Indemnity	16,148	27,426
Scottish Metropolitan	21,007	16,686
Sun Insurance Office	4,878	2,198
Travelers Insurance	183,200	159,804
Union of Canton	250,711	164,677
U. S. Fid. & Guaranty	128,712	59,235
World Marine	1,867	15
Yorkshire	58,015	45,235
Zurich	2,352	150
Totals	2,853,440	1,842,486

CASH MUTUALS IN ONTARIO NOW HOLD STRONG POSITION

Personal Element a Large Factor in Gaining Stability

For many years the fire insurance field has witnessed the steady expansion, to a place of prominence, of a group of companies in Western Ontario known as cash mutuals. The development has been unique, and the companies offer stability and protection of a high order to those desiring insurance, and exercise a balancing influence on the whole field of operations. Avoiding the pitfalls which usually strew the path of mutual enterprises they have prospered through boom and depression periods alike.

Established Many Years

The first of these companies to be organized was the Gore District Mutual Fire Insurance Company, with head office at Galt, Ont. The Gore commenced business on October 10, 1839, and the eighty-fifth annual report was presented at the meeting at Galt in February of this year. Two of the companies, the Perth Mutual Fire Insurance Company, at Stratford, and the Waterloo Mutual Fire Insurance Company, at Waterloo, were started nearly a quarter of a century later, in 1863. The remaining one, the Economical Mutual Fire Insurance Company, was organized at Kitchener in 1871.

Organized on the mutual basis, without any capital stock, these companies have no shareholders. Insurance is issued on two different bases. Mutual policies are issued, and those covered in this way are entitled to a share in any disbursement of profits of the company in the same way that those insured in purely mutual companies. They likewise assume the liability, which in recent years has become extremely remote on account of the growing surplus, for extra assessments, if the company should meet with financial reverses. However, they also issue insurance on the cash system as well, in the same way that stock companies do. The development of years has resulted in this end of the business outgrowing the mutual business by wide margins. Thus, on December 31, 1922, the net risks in force were: With the Economical, on the mutual plan, $6,129,117, and on the cash system, $31,232,409; with the Gore on the mutual basis $6,293,302, and on the cash plan, $39,448,670, with the Perth mutual $15,778,396, and cash $31,098,065; and with the Waterloo Mutual, on a mutual basis, $12,185,609, and cash, $46,403,135.

Assets Have Grown

Those in charge of the affairs of these companies have been careful to avoid distributing all of the profits year by year. Instead, a very moderate proportion have been retained and accumulated until they represent to-day a wide margin of security for policyholders. As a result, the combined assets of the four companies at the end of 1923 were $5,130,730, and the balance over liabilities totalled $4,395,546. Of the difference, $706,735 was reinsurance reserves. In addition to premium incomes in 1923 of $1,218,974, the amount of interest and rents earned totalled $192,614 The security of these companies can be gauged by comparing the assets with amount of insurance in force With assets of $5,130,730 the net total of insurance at risk, after deducting re-insurance on Dec. 31, 1923 was $180,295,912. In comparison with the strongest stock companies this ratio is highly favorable.

Personal Element

In commenting on the history of the companies, one official, who is familiar with the growth of the group, attributes the development to several factors. In the first place they were organized, and conduct their business in a section of the country where the people have been noted for their thrift and stability. While their business has been extended to take in a much wider territory, it has still been confined within limits which make it unnecessary to add expensive staffs, heavy traveling expenses, etc. Possibly most of all it is due to the personal attention given by those in control to the selection of risks, investment of funds, and supervision of the operations in general.

Has Capital Stock

While these four companies have no capital stock whatever, there are two other cash mutual companies which have capital stock. One of these, the Wellington Fire Insurance Company, was organized in 1840 This company now has assets of $251,214.86, and net insurance at risk on Dec. 31, 1923, of $17,974,331. As in the others, insurance is issued on both the cash and mutual plans, but the former has almost entirely superceded the latter. The company has an authorized capital stock of $150,000, with $124,000 paid up.

The last of the group, the Monarch Fire Insurance Company, commenced business in 1903. The company has ceased to write business actively, and the business on the books is fully reinsured in other companies.

INSURANCE AT COST

MUTUAL SERVICE
Measured in Millions

THE steady growth and increasing usefulness of this company may be illustrated in no more striking way than by the figures showing the annual payments to policyholders. For example, this table comparing figures for every tenth year since 1873:

1873 .... $ 2,687
1883 62,595
1893 212,828
1903 493,721
1913 1,396,445
1923 5,369,743

The total disbursements of the Mutual Life to policyholders or their beneficiaries up to the end of 1923 amount to the immense sum of $47,108,707.62.

Policyholders of today will appreciate the present position of the Company when they understand that at the present moment we hold in reserve for future payments no less than $59,383,426.66. This means a total either paid to policyholders, or held in reserve for them exclusively, of $106,492,134.28.

The Mutual Life of Canada is one of the strongest insurance companies in the world. Let us send our literature explaining the principles of true Mutuality.

The MUTUAL LIFE
OF CANADA : Waterloo, Ontario

M. Monaghan & Son, City Managers,
J. N. Roy, District Manager,
401-4 Banque Nationale Bldg.,
71 St. Peter St., Quebec, P.Q.

716

Audit

Our books are audited by a competent auditor elected by the shareholders. Employees in our office are under bond.

We are inspected annually by the Dominion Government.

Our moneys are loaned conservatively on first mortgage securities. Our investments are sound, and we are free from entanglements with any other business or financial institution.

Authorized Capital $20,000,000 Subscribed Capital $4,052,600

BALANCE SHEET INTERNATIONAL LOAN COMPANY
as at December 31st, 1923

ASSETS
Mortgages and Agreements Receivable, including accrued interest $508,862.14
Cash on hand and in Bank ... 2,191.49
Real Estate 47,488.65
Accounts Receivable 1,348.90
Office Furniture 1,219.59
Total Assets $561,110.77

LIABILITIES
Accounts Payable .... $ 2,037.42
Excess of Assets over Liabilities to the public 559,073.35
Consisting of:
Paid-up Capital $518,663.90
Undivided Profits 40,409.45
$561,110.77

Winnipeg, Jan. 14, 1924—We have audited the books and examined the vouchers for the year 1923, and hereby certify the above Balance Sheet to be, in our opinion, properly drawn up so as to exhibit the true and correct position of the Company as at December 31, 1923. The Securities have been checked and found in order.
DAVID COOPER & COMPANY,
Chartered Accountants.

INTERNATIONAL LOAN COMPANY, 224 CURRY BLDG.
WINNIPEG, CANADA

The undersigned officials of the International Loan Company hereby certify that they have examined the above statement of affairs of the said Corporation, and that, to the best of their knowledge and belief, the said statement is correct, and shows truly and clearly the financial condition of the Corporation's affairs.
Geo. W. Argue, Managing Director. B. McKenzie Gunn, Director, Geo. Batho, Director.

Attractive Policies

with a careful selection of risks and investments are factors in the sound development of

The Empire Life
Insurance Company

Desirable territory, with the utmost co-operation of Head Office officials of wide experience, is open to efficient producers.

HEAD OFFICE
12-14 Wellington St. E., Toronto

DEFENCE OF CIVIL ACTIONS COVERED BY AUTO. POLICIES

Claims Exceed Value of Car—Accepted Appliances Cut Premium Costs

To the owner of an automobile the many reports of motor accidents which appear in the daily press have a sombre meaning. The result is increasing attention to automobile insurance. Yet, in spite of the efforts of the insurance companies to show the public just what this class of protection does for the insured, misunderstanding of the provisions and a lack of appreciation of the dangers of the road cause many to neglect insuring their car. There are some special services in addition to the payment of claims which the insurance company renders to those insured. Moreover the feeling that the cost of automobile insurance is too heavy can be partly alleviated by the knowledge that substantial reductions can be obtained by observing certain conditions.

Defends Civil Actions

An important point for the busy man to remember is that the company defends any civil action brought against him, whether groundless or not, and pays all costs taxed against the assured in such defence proceedings, subject to policy limits. The work of investigation, interviewing witnesses, solicitors, claimants, etc., by the trained investigators of the insurance company relieves the assured from a vast amount of trouble. The company also reimburses the assured for expense incurred in providing necessary immediate surgical relief where injuries are sustained. This alone is a worthy service. The car owner, seldom versed in law applying to accidents, is at a loss to determine whether he should resist a claim without the aid of costly legal advice.

Losses Exceed Car Value

Public liability claims arising out of automobile accidents have reached astounding proportions in the United States and the tendency is for the courts to grant them. In Canada claims have not been so large, as a rule, but nevertheless they have amounted in cases to many times the value of the automobiles involved. The prospect that even the low-priced car, owned by the happy family of moderate circumstances, may bring upon it a court judgment of ruinous proportions is quite practical. The logic of this class of protection is proven by the words of one official, who says:

"If the liability risk is not insured, the owner is not taking a chance on a fixed known loss, but is gambling on the unknown. A claim may cost him several times the value of the car, for an automobile worth $1,000 can be the cause of an accident involving several thousand dollars in compensation to injured parties. And insurance should be adequate. Is $5,000—$10,000 public liability sufficient protection? A case has been reported in the press of a motorist who ran down and severely injured a woman As the result of a court action damages of $20,500 were awarded against him. He carried $5,000—$10,000 limits, so that the insurance company paid out $5,000 towards the award and he himself had to find the balance of $15,500."

Other Classes

Since property damage insurance is protection against damage caused by the insured's car to the property of others, it is closely allied with public liability and is usually in connection with it. Where a motorist collides with another car or vehicle the persons and property are both liable to suffer injury. either of which may exceed the value of the car many times.

In the other three classes—collision, fire and theft—the loss cannot exceed the value of the insured's car. The first protects him against loss to his own car in a collision. The fault may be that of someone else, consequently protection is given against the reckless driving of others as well as the insured. On the other hand, if the fault is not placed on the insured, the company naturally attempts to collect damages from the other party who is at fault.

Cost an Obstacle

The factor which proves an obstacle to many owners is the cost of securing complete cover and the difficulty of choosing the classes to be provided for if only partial cover is to be attempted. In the latter case public liability and property damage certainly deserve first attention. In any case, savings in premiums may be effected in several ways. Reductions are allowed in some classes for certain authorized equipment.

Reductions Allowed

For collision insurance on private cars a reduction of 10 per cent. is allowed for the use of an approved front bumper and 2½ per cent. for an approved rear bumper. On commercial cars the former reduction is only 5 per cent., while the latter is the same. By an approved bumper is meant any make which is endorsed by the Underwriters' Laboratories. There are in all 63 makes which are approved, 15 of which are actually labeled by the laboratories and the rest unlabeled but just as effective for securing the reduction.

A reduction of 15 per cent. on theft premiums may be secured on all cars fitted with locking devices approved by the laboratories. These may be attached to the transmission or ignition and they vary for different makes of cars. In the case of fire, a 15 per cent. reduction applies when an extinguisher, approved and labeled by the underwriters, with a capacity of one or one and one-half quarts is used.

Reductions are also allowed in the case of what is known as fleet insurance, that is, where five or more automobiles under one ownership and operating management are insured. From this class is excluded the privately owned cars of employers, officials or employees. A fleet of less than five cars may be included in this class if their total initial cost is $20,000 or more. The reductions allowed to fleets on each of the five classes—public liability, property damage, collision, fire and theft—are based on the experience in each case over the previous period of thirty-three months.

Loss Ratios on Automobile Insurance Continue Stable

As was indicated by the moderate tendency toward a reduction of rates on some classes of automobile insurance in the new manual of rates issued to agents recently, the favorable loss ratio in general of former years continued in 1923. The premiums in class A, which includes policies insuring against fire only and against fire in combination with other classes, totaled $2,647,045, an increase of $165,243 over 1922. A large proportion of this class was fire only. The losses incurred on this class were $1,477,751 as compared with $1,418,667 in the previous year. The ratio of losses to premiums was approximately 55.83 per cent., a slight decrease from 57.16 per cent. in 1922.

In class B, which includes policies without insurance against fire, the total premiums received were $3,814,033, an increase of $179,695 over the figures of 1922. The losses on this class of business were $1,537,048 as compared with $1,332,511 in the previous year. The loss ratio was thus increased from 36.66 per cent. in 1922 to 40.30 per cent. last year. This varied somewhat widely in different districts and in the different companies writing the business.

The tendency for new companies to enter the Canadian field continues in a moderate way. During the year six companies started writing class A, increasing the number from 77 to 83. Seven companies began writing in class B, which brings the number in that class up to 92, as compared with 85 the previous year.

	Class A		Class B	
	Net Premiums	Net Losses	Net Premiums	Net Losses
Ætna Insurance	$ 15,194	$ 4,725	$ 4,819	$ 1,231
Alliance Assurance	21,420	17,776	31,016	11,981
Alliance Insurance	8,990	10,715	4,372	1,467
American Alliance	21	none	31	none
American Automobile	10,298	1,143	18,142	4,545
American Central	5,961	3,217	3,465	1,233
Autocar	2,881	151	3,708	632
British America	62,835	39,091	69,047	32,824
British Crown	97,109	60,256	30,042	25,025
British Oak	409	none	1,122	45
British Traders	46,812	25,823	65,751	25,694
Canada Accident	39,515	27,358	75,473	24,582
Canada Security	5,526	1,198	8,277	226
Canada Fire	20,529	9,939	20,828	4,147
Canadian Surety	34,857	18,610	38,664	11,492
Car and General	13,297	14,205	7,542	4,872
Casualty Company of Canada	26,487	3,010	63,579	26,481
Columbia	37,242	25,851	4,426	1,268
Continental Casualty	none	none	8,522	2,998
Continental Insurance	8,377	9,432	2,630	1,570
Dominion Fire	—704	1,794	—264	324
Dominion Gresham	14,480	7,932	63,598	26,266
Dominion of Can. Guar. and Accident	101,222	41,616	164,986	56,493
Eagle Star and British Dominions	none	none	39,952	17,454
Employers Liability	94,745	42,721	248,380	82,740
Equitable Fire	9	16	none	none
Fidelity and Casualty	none	none	110	4,603
Fidelity Insurance	none	none	1,132	635
Fidelity-Phenix	6,465	4,650	2,845	1,218
Fireman's Fund	11,887	5,495	none	none
General Accident of Canada	72,782	59,411	248,299	92,538
General Animals	none	none	none	537
Glens Falls	20,357	6,782	2,379	—197
Globe and Rutgers	93,265	78,281	62,273	29,175
Globe Indemnity	215,072	52,776	106,039	88,517
Great American	25,200	25,222	56	413
Guardian Insurance Company of Can.	50,963	33,600	84,456	37,889
Hartford Accident	none	none	49,903	11,900
Hartford Fire	49,992	25,746	4,100	92
Home	163,860	130,954	36,601	30,628
Imperial Assurance	3,442	281	none	none
Imperial Guarantee and Accident	35,952	18,688	58,424	20,580
Imperial Underwriters	3,494	762	7,366	2,008
Indemnity Insurance	none	none	34,446	5,652
Insurance Company of North America	110,598	75,162	56,726	33,182
Law, Union and Rock	16,167	2,121	28,958	9,897
Liverpool-Manitoba	35,978	14,083	46,943	11,432
London and Lancashire Insurance	22,221	15,473	22,359	5,591
London and Lancashire Guar. and Accid.	48,260	18,864	113,836	38,337
London Assurance	5,744	1,059	8,872	1,472
London Guarantee and Accident	78,686	29,169	123,751	49,786
London Mutual	16,426	4,287	16,070	9,557
Lumbermen's Mutual Casualty	none	none	33,222	7,339
Marine	22,462	42,522	1,954	2,076
Maryland Casualty	none	none	22,478	6,953
Merchants and Employers	none	none	32,584	12,206
Merchants Casualty	74,348	58,677	82,365	43,612
Merchants Marine	763	none	none	none
Motor Union	28,839	10,395	66,814	11,983
Mount Royal	8,925	9,117	12,099	3,720
National Fire	none	42	none	none
National Union	540	40	226	118
Newark	2,373	97	525	246
New Jersey	13,984	7,675	10,028	6,069
Niagara	4,007	1,067	829	310
North American Accident	16,719	11,821	42,046	9,188
Northern Assurance	50,293	29,136	59,646	20,462
Northwestern Mutual	15,291	2,602	16,691	3,436
Northwestern National	2,206	1,362	1,187	—204
Norwich Union	76,457	32,158	122,348	52,174
Occidental	18,411	13,716	28,060	13,961
Ocean Accident and Guarantee	111,510	45,376	202,078	84,919
Palantine	10,561	4,466	18,072	7,365
Phoenix Insurance	14,928	3,820	none	none
Preferred Accident	none	none	53,027	14,358
Providence Washington	7,411	10,635	4,444	766
Provincial	36,140	14,565	80,177	40,124
Queen of America	31,913	29,615	9,856	3,314
Railway Passengers	24,437	16,452	78,909	20,399
Royal Exchange	31,840	12,553	43,743	18,541
Royal Indemnity	none	none	10,801	21,471
Royal Insurance	33,972	16,388	63,832	19,746
St. Paul Fire and Marine	25,554	4,941	4,130	4,557
Scottish Metropolitan	24,595	14,369	24,167	10,766
Scottish Union and National	5,372	1,849	2,474	676
Springfield	3,338	2,520	386	none
Sterling	3,927	2,564	1,622	430
Sun Insurance	26,560	8,045	44,455	16,696
Travellers Indemnity	none	none	154,097	74,943
Union Assurance	14,123	4,539	23,994	4,557
Union of Canton	71,808	46,730	111,070	48,564
Union Marine	1,425	460	2,162	1,839
United States Fidelity and Guaranty	none	none	89,167	29,021
United States Fire	4,218	5,475	1,577	none
Western Assurance	62,003	38,070	70,956	37,367
World Marine	9,003	4,422	7,793	1,253
Yorkshire	none	none	79,419	40,413
Zurich	2,456	25	4,468	281
Totals	$2,647,045	$1,477,751	$3,814,033	$1,537,048
1922 Totals	2,481,802	1,418,667	3,634,338	1,332,511
Increases	$ 165,243	$ 59,084	$ 179,695	$ 204,537

WESTERN FARMER IS SOLVING OWN FARM PROBLEMS

(Continued from page 1)

should have a better return for his labors than the mechanic who enforced unfair wage demands through the force of union organization. As the farmer was not in a position to force up the prices for his products then, argued Mr. Crerar, the logical method to increase his margin of profit was to bring down freight rates and the prices of commodities and this could only be done by reducing the labor cost factor.

Altogether, the West is entering upon another crop season in much better spirit than was evident a few months ago. In Alberta, particularly there has been improvement as the result of last year's big crop. A year ago there was much pessimism; now there is confidence and renewed courage; where there was an exodus there is now an influx. And people are now handling their money carefully, with an absence of the tendency to extravagance, which followed previous bumper crops. Bills are being paid, and reserves are being set aside against the future.

Fairly satisfactory conditions, with little change, are reported throughout Canada by the Royal Bank:

With the winter almost at an end, business in the Dominion continues to show a little change worthy of note. In British Columbia, the coast section is said to be comparatively active, the interior dull, and the lumber industry throughout the Province doing a good business. The Prairie Provinces have bought more goods this season than last in all lines; they are now getting to a time of year when new crop prospects will be the controlling factor in trade. Ontario finds manufacturing and wholesale business very uneven, Western orders better than in 1923, but the Eastern section of Canada hard to sell goods to. The same applies to Quebec. In the Maritime Provinces, more favorable conditions in the lumber, fishing and coal and steel industries have not yet exerted an influence sufficient to stimulate general business, which continues to be quiet.

In the East, collections in many cases are not being well met. From Quebec west, they can be considered fair, current bills being comparatively well paid in the Prairie Provinces. To sum up, buying throughout the country has been for immediate requirements only, and credits have been extended with some care, so that, although general sales are not large and business cannot be called prosperous, the situation has not the weak features of recent years.

Bank debits to individual accounts—in other words, the aggregate amount of the cheques charged against deposit accounts at the clearing house centres of Canada, totalled $2,179,587,756 in February, 1924, as compared with $2,171,653,377 in January—an increase of 0.36 per cent. This increase, in view of February being a shorter month than January, must be regarded as highly satisfactory. Further, Canadian experience with bank clearings leads to the conclusion that February is normally the dullest month of the year. In the 10-year period from 1914 to 1923, inclusive, January bank clearings in Canada were 93.9 per cent. of the average bank clearings for the period, while February bank clearings were only 79.8 per cent. of the average monthly clearings. If then, debits to individual accounts vary approximately as bank clearings, February debits would normally be 798/939, or about 85 per cent. of January debits. As a matter of fact, however, bank deposits for February have exceeded those for January.

Car Loadings Greater

Revenue freight loaded in Canada week ending March 22 aggregated 59,580 cars, an increase over the previous week of 2,195 cars, 2,114 cars of which were in the eastern division and 81 cars in the Western division. The loadings continued well above last year's figures, showing an increase for the week of 12,332 cars. or 26 per cent. The cumulative totals to date are 621,559 cars for 1924, and 552,598 cars for 1923, an increase for 1924 of 68,961 cars, or 12.5 per cent.

RECORD WINTER BUILDING IN U.S.

Extending Length of Construction Season Has Meant Much More Healthy Conditions

The present winter has witnessed record-breaking activity in the construction industry, says the National Bank of Commerce in New York in the March issue of Commerce Monthly. Continuing, the bank says:

"The value of contracts let since October has been considerably larger than during the same season of any previous year. For some time, contractors and architects have been carrying on an active campaign to overcome the belief on the part of many builders and investors that building during the winter is much more costly than building during other seasons of the year. While the need of protection for concrete, masonry, etc., and expenditures for the comfort of the men on the job add something to the cost, this increase is more than offset by savings resulting from less difficulty in securing labor, and consequently smaller expenditures for overtime and bonuses, saving of interest on the capital already invested in the project by speeding its completion, and frequently from lower prices for materials and better material deliveries. Moreover, in those cities where May 1 is an important renting date, winter building may make possible the completion of the work so that leases can be made from that date.

"In so far as the large volume of building during this winter represents a trend toward spreading out the year's building over all twelve months of the year in place of the decidedly seasonal tendency of former years, it is a healthy sign. One of the biggest arguments of building workers in every demand for higher wages is the extremely seasonal character of the industry resulting in long periods of unemployment. If this can be done away with, even in part, a long step will have been taken toward wage stability. The same thing will be true of the prices of building materials.

LIFE INSURANCE AGENTS may be divided into two classes, viz: those who specialize in Life Insurance and those who endeavour to serve their clients in all classes of insurance. As in Medicine and in Law there are specialists; so in Insurance there are those who have what is known as a general practice.

The Life Man who conducts a general practice may find a useful and sympathetic connection with the Toronto Casualty, Fire and Marine Insurance Company, in serving his needs and the needs of his clients in Automobile insurance.

Full instructions as to rates, coverages and policy conditions will be given, together with necessary supplies, to the agent who wishes to take advantage of the business to be done with his present policyholders in the transaction of their Automobile insurance.

Write to-day for necessary supplies and equipment for the coming season's business.

The
Toronto Casualty,
Fire and Marine
Insurance Company

Head Office—Federal Bldg., Toronto.

CANADIAN FIRE INSURANCE COMPANY
AGENTS
are known by the "company" they keep.
You can't go wrong by relying on the Agent of
THE CANADIAN FIRE INSURANCE COMPANY
HEAD OFFICE, WINNIPEG AGENTS EVERYWHERE

THE MONARCH LIFE
IS A
GOOD COMPANY
Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

Looking After Bill's Family—

WHEN Bill—or old Tom, who came to the firm when the cashier was an office-boy—go to join their fathers, you generally make some arrangement to care for the widows of these loyal old employees. For they rarely have provided adequately against this contingency.

This is frequently a puzzling thing to arrange satisfactorily because so many considerations bear upon it.

And yet there is an equitable method, far less costly in the long run, of solving, once for all, this recurring problem.

A Group life assurance policy in the Sun Life of Canada, at a cost of possibly less than one per cent. of your payroll, will take care of the dependents not only of old Tom and Bill, but of your whole organization.

When your employees take home a Sun Life Group Certificate, their loyalty to the firm is intensified by the interest of those dependent upon them. And the home influence is powerful for good.

A Sun Life Group Policy will also cover those who could not obtain life assurance as individuals.

Why not investigate this great aid to business efficiency? A great many firms and companies have proved its value with all classes of labour. We should be pleased to send you a list of these. Or specially trained representatives, located in all the larger centres, will gladly give you full information about the Sun Life Group plan without in any way committing you to action. It would be well worth your while to look into this at once.

Sun Life Assurance Company
of Canada
HEAD OFFICE: MONTREAL

ISSUE INSURANCE TO PERSONS WITH IMPAIRED HEALTH

Rating up, Liens and Non-Medical Business Developed

The experience that approximately 10 per cent. of those applying for life insurance are unable to pass the standard form of medical examination led the Aetna Life Insurance Company to adopt a policy recently of accepting what are known as sub-standard risks at higher premium rates. This is merely agreeing to issue policies on the lives of persons who have some impairment which bars them in the regular examination. At first these were accepted only for non-participating policies, but they are now accepted on the participating plan as well, so a recent announcement states.

The increasing demands of those who are not perfect physically for life insurance has led to a general retreat from the old basis of issuing policies only to those in the best condition. While the number of companies which specialize in these sub-standard policies is small, most companies are willing to consider applications under certain conditions from those who have slight impairments. This does not mean that all those who cannot pass the regular examination may secure insurance at higher rates. Rather is it the result of investigation which shows that a group with a certain impairment will reveal a definite higher mortality rate than those who are unimpaired. Consequently, there seems to be no reason why members of the group should not enjoy the benefits of insurance if they are willing to pay higher rates to cover the greater average losses to the companies.

Follow Two Plans

There are two chief ways in which the higher premium is charged. One is known as "rating up." Thus, an applicant aged 30, whose physical condition is impaired, may be insured at the regular rate at age 35. This constitutes a penalty against the insured throughout the whole term of the policy. The other alternative is to place a lien on the policy. This is done by inserting a clause in the policy providing that if the insured dies within a certain period, only a part of the face value of the policy will be paid. The amount to be paid usually increases at a regular rate each year after a definite time has lapsed. Thus, a $1,000 policy may be issued with a lien of $400 for five years, reducing by $100 each year thereafter. If the insured dies during the first five years, only $600 will be paid, in the sixth year $700, in the seventh $800, in the eighth $900, and in any following years the whole $1,000. These liens are imposed in cases where the impairment is one which is likely to be overcome if the insured lives for a certain period; the lien is then totally dropped.

Non-Medical Policies

The extension of life insurance benefits to these sub-standard classes has marked a definite expansion in the business. Lest it may be confused with the practice of issuing non-medical insurance a word of warning may be given. In recent years most companies have adopted a practice of issuing policies up to a limit, usually $2,000, without a medical examination. This does away with what many people consider a troublesome medical examination in these cases. However, it does not open the way for those whose health is seriously impaired to secure protection. Such a situation would be dangerous to the financial stability of the companies, since their widely recognized security is based on the highly accurate calculations of mortality rates. Where the policy is issued without a medical examination the insured is required to fill out a form regarding his health, family history, etc. Should he die and the company prove that his answers were not true, the insurance is void, and the premiums only are returnable.

In view of this restriction, purchasers of these policies should adhere strictly to fact in answering questions on the application blank. Similarly, salesmen should encourage only those whom they believe to be physically fit to apply for this insurance. As the company reserves the right to have any applicant examined, if deemed advisable, this is specially important. If the applicant has built up hopes of securing the policy without an examination, it is more difficult to persuade him to have one, since the demand for it rouses some slight resentment. It is believed that the great majority of salesmen adhere strictly to the provisions, but instances have come to the attention of THE FINANCIAL POST recently where attempts were made to have the applicant sign the application and allow the salesman to fill in the form after. This is strongly opposed by the companies, field men, and all others inetrested in the sound development of this branch of the business.

Greater Use of Rain Insurance Last Year

Rain insurance, which is sold widely in the United States, has been gaining ground, judging from the returns of the Dominion Department of Insurance. The premiums in 1923 were $46,583 and losses $33,355 as compared with $29,348 and $21,187 respectively in the previous year.

	Net prems. $	Net Losses $
Hartford Fire	32,186	26,570
Home	14,397	6,785
Totals	46,583	33,355

Abstract of Tornado Insurance for 1923

	Net Premiums $	Net Losses $
Ætna Insurance	2,291	132
American Central	3,966	1,120
Continental Insurance	3,863	1,871
Fidelity-Phoenix	3,323	3,004
Firemen's Insurance	534	62
Girard	155	None
Glens Falls	4,644	1,834
Great American	4,400	371
Guardian Assurance	2	None
Guardian Ins. Co. of Canada	58	None
Hartford Fire	77,232	27,668
Home	63,885	47,346
Individual Underw'rs	10	None
Ins. Co. of N. Amer.	285	None
Ins. Co. of State of Pa.	995	864
National Fire	3,695	14
National Union	9,048	2,772
New York Reciprocal	14	None
Niagara	608	25
Northwestern National	1,068	49
St. Paul Fire	15,116	3,031
Scottish Union & Nat.	2,308	188
Springfield Fire	4,281	None
United States Fire	678	None
Totals	202,459	90,351
	153,787	38,058
1922 Totals	153,787	38,058

SHOW BIG INCREASE IN SURETY BUSINESS

Low Loss Ratio Followed by Entry of Nine New Companies to Field

The ease with which conditions may be quickly changed in many classes of insurance is demonstrated by the record of guarantee insurance in 1923. This class of business is separated into fidelity — including policies for fidelity bonds, public officials' bonds, bankers' bonds, etc.— and surety, which includes court, contract, grain, administrators' and liquidators' bonds.

The loss ratio on surety business in 1922 was approximately 28.5 per cent., and 20 companies wrote this class. It is significant that nine new companies entered the field last year and the amount of business written totaled $816,227, as compared with $386,021 the previous year. The losses also increased from $110,054 to $259,140 last year, or a little over three per cent.

Fidelity showed a much smaller increase from $738,725 in 1922 to $799,804 in 1923, while the increase in the losses was proportionately greater, the 1923 figures being $430,643 as compared with $332,545 the previous year.

Guarantee (Surety)

	Premiums $	Losses $
Alliance Assurance	8,570	1,679
American Surety	16,772	—4,385
Canada Accident	25,575	19,446
Canadian Surety	80,351	5,833
Dominion Gresham	35,927	None
Dom. of Can. Guar. & Accident	19,999	5,311
Employers Liability	14,778	—1,204
Excess	2,107	None
Fidelity Insurance	32,550	7,505
Gen. Acc. of Canada	45,560	36,753
Globe Indemnity	24,862	9,562
Grain Insurance	2,868	None
Guar. Co. of No. Am.	39,262	24,185
Guard'n Ins. Co. of Can.	8,245	1,403
Hartford Accident	118	None
Imperial Guar. & Acc.	14,991	2,508
Imperial Underwriters	5	None
London & Lancashire Guarantee & Acci.	34,254	12,711
London Guar. & Acc.	145,261	54,225
Maryland Casualty	28,732	None
National Surety	78,327	334
Northern Assurance	3,380	—50
Norwich Union	1,151	None
Ocean Acc. & Guar.	6,150	9,635
Railway Passengers	3,667	26
Royal Indemnity	15,708	9,193
Scottish Metropolitan	1,167	139
Sun Insurance Office	3,474	None
U. S. Fidelity & Guar.	122,056	64,331
Totals	816,227	259,140

Guarantee (Fidelity)

	Premiums $	Losses $
Alliance Assurance	4,043	2,060
American Surety	17,935	5,711
Canada Accident	6,630	539
Canadian Surety	50,459	19,107
Dominion Gresham	11,443	8,432
Dom. of Can. Guar. & Accident	38,707	10,623
Employers Liability	86,054	35,201
Excess	5,721	313
Fidelity Insurance	9,216	6,688
Gen. Acc. of Canada	9,252	—6,550
Globe Indemnity	8,328	6,736
Grain Insurance	62,936	20,340
Guar. Co. of No. Am.	102,038	42,401
Guardian Ins. Co. of Canada	6,401	4,248
Hartford Accident	1,666	266
Imperial Guar. & Acc.	40,030	15,154
Imperial Underwriters	60	None
International Fidelity	6,890	1,321
London & Lancashire Guarantee & Acc.	20,429	10,692
London Guar. & Acc.	43,390	42,154
Maryland Casualty	7,800	3,118
National Surety	77,275	75,229
Northern Assurance	2,785	—544
Norwich Union	193	None
Ocean Acc. & Guar.	10,697	—4,695
Railway Passengers	10,748	1,981
Royal Indemnity	20,753	—7,484
Scottish Metropolitan	1,472	3,305
Sun Insurance Office	401	—17
U.S. Fid. & Guaranty	136,052	133,714
Totals	799,804	430,643

BURGLARY LOSS RATIO REACHES 78 PER CENT.

One Company Paid in Losses Over Eight Times Amount Of Premiums Received

An alarming increase in the ratio of losses to premiums on burglary insurance is revealed in the figures given below. While the premiums of $714,933 are slightly less than those received in 1922, the losses during 1923 totaled $560,518 as compared with $340,214 the previous year. This represents an increase from approximately 47 per cent. of the premiums to over 78 per cent. The experience of individual companies varied widely. In one case the losses actually exceeded the premiums by over $21,000 and in another with premiums of $3,241 the losses were $26,218. Six new companies entered this field, bringing the number up to thirty-one.

	Net Prems.	Net Losses
Alliance Assurance	$ 26,527	$ 25,827
American Surety	8,098	237
Canada Accident	17,325	6,602
Canadian Surety	19,401	5,982
Casualty Co., of Canada	9,227	709
Dominion Gresham	47,271	26,200
Dominion of Canada Guar. and Accident	15,703	11,937
Employers' Liability	53,829	44,810
Fidelity and Casualty	31,105	40,847
Fidelity Insurance	4,995	143
General Accident Co. of Canada	24,973	12,232
Globe Indemnity	14,381	9,484
Grain Insurance	6,792	246
Guardian Insurance Co. of Canada	15,961	9,063
Hartford Accident	21,051	7,698
Indemnity Insurance Co. of America	14,545	7,853
Law, Union and Rock	5,012	5,089
London and Lancashire Guar. and Accident	5,375	709
London Guarantee and Accident	18,348	1,620
Maryland Casualty	68,716	48,736
National Surety	84,500	99,109
North American Accid.	3,222	2,755
Northern Assurance	15,827	9,056
Norwich Union	1,977	52
Ocean Accident and Guarantee	17,290	8,995
Railway Passengers	3,414	1,230
Royal Indemnity	3,241	26,218
Travelers Indemnity	82,403	56,368
United States Fidelity and Guaranty	69,792	90,955
World Marine	3,504	256
Zurich	1,128	None
Totals	$714,933	$560,518
1922 Totals	$726,076	$340,214

Placed Insurance in Unlicensed Company; Cannot Collect Claim

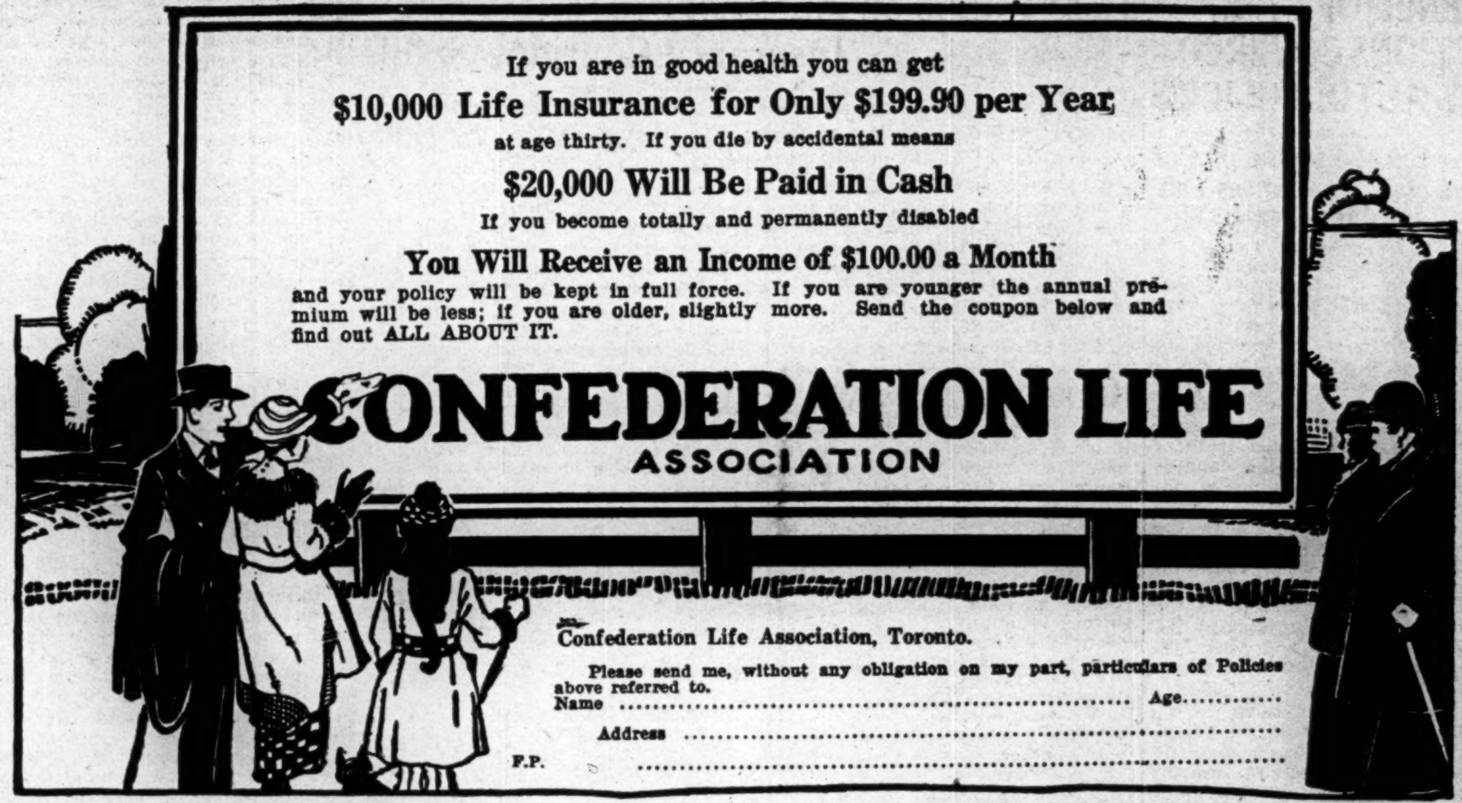
Potent warning is given in a recent judgment of Mr. Justice Smith against placing insurance of any kind in unlicensed companies. Milan Dimitroff, and others, merchants near Welland, had an agreement with Cromwell Gonder to insure the plaintiff's goods. A fire took place and the plaintiffs were told that the company carrying the insurance had not been licensed to do business in Ontario and were insolvent.

The plaintiffs sued Gonder for $7,600. The trial judge gave them judgment for $5,000, but the supreme court of Canada ordered a new trial. At the second trial the action was dismissed. In giving his decision Mr. Justice Smith said:

"I think that the defendant was entirely justified in telling the plaintiff that he could not get them insured in licensed companies. He was guilty of no fraud, but said he could get insurance in unlicensed American companies, which Dimitroff accepted and this constituted the whole contract."

Where insurance is placed in companies which are not regularly licensed to do business payment of claims which may arise depends largely on the honesty and good faith of those in charge of the insurance company. Moreover, the regular supervision and inspection by government officials, which has done so much to guard against insurance company failures and difficulties, is not exercised over unlicensed companies. Consequently, the holder of a policy has no adequate means of finding out whether the finances are in a healthy condition.

To rely on good faith in such circumstances is a dangerous policy to pursue. Companies are licensed in Canada in two ways—by the the Dominion Department of Insurance at Ottawa, or by the Insurance Department of the provinces in which they operate. Where a company has a Dominion license it is usually registered in the provincial department and allowed, as far as the province is concerned, to carry on business so long as it meets the requirements of the licensing department. Those purchasing insurance can learn whether a company is licensed by writing the Superintendent of Insurance, Parliament Buildings, Ottawa, or the Insurance Superintendents in their respective provinces.


If you are in good health you can get
$10,000 Life Insurance for Only $199.90 per Year
at age thirty. If you die by accidental means
$20,000 Will Be Paid in Cash
If you become totally and permanently disabled
You Will Receive an Income of $100.00 a Month
and your policy will be kept in full force. If you are younger the annual premium will be less; if you are older, slightly more. Send the coupon below and find out ALL ABOUT IT.

CONFEDERATION LIFE
ASSOCIATION

Confederation Life Association, Toronto.

Please send me, without any obligation on my part, particulars of Policies above referred to.
Name .... Age............
Address ....
F.P. ....

HEAVY FIRE LOSS RATIO IS FORCING INCREASED RATES

(Continued from page 17)

heavy losses of recent years and expenditures at levels far above those of pre-war days, it is only natural that considerations of an upward revision of rates should be indulged in. The hope that the abnormal losses would disappear as quickly as they arose has been largely dissipated. The entire cost of office maintenance, salaries, traveling expenses, etc., has added another burden. At the same time the companies are facing a tendency of the commissions to increase, due to the pressure of new companies pushing for business in the field. The general level of commissions is now much greater than a few years ago. On the other hand, the rates in force at present are almost identical with those charged before the war.

Some changes have already been put into effect and others are pending. The plan to follow has been the subject of much comment. Some favored the addition of a general surcharge on all classes of business. Others, believing that the new scale of losses are likely to continue for some time, are in favor of a thorough investigation of the experience on each class of risk and a definite increase in the rate where justified. The latter opinion has prevailed and meetings have been held to work out the plans. The ultimate results can only be attained by a series of lengthy conferences to study the facts and determine the change in each case.

Credit Insurance Gains in Favor During Year

A substantial volume of credit insurance was written by the two companies in the field during the year. This class is a recent development in this country, though it has been used in the United States for many years.

	Net prems. $	Net Losses $
Amer. Credit Indem. Co.	89,052	2,429
National Surety Co.	99,247	37,479
Totals	188,299	39,908

He May Call On You

A Day With the Canada Life Man

He studies carefully your insurance needs before the interview.

He interests young men in the worthwhile objects in life.

His advice not only helps the business man to protect his home, but his business and personal interests as well.

He urges the young father to protect his wife and child and safeguard his home.

Paying the widow's claim, he often finds the money from the Canada Life is sorely needed.

(Each day that passes impresses him more and more with the great need for Life Insurance.)

He represents your wife, your children, your business interests, and therefore has a message of vital importance.

Don't be "too busy" to see him, he has a message you should hear.

There comes a time when a man is **not** "too busy" to hear such a message, but **then,** it is often too late.

The Canada Life Man

represents Canada's Oldest Life Insurance Company, which in 75 years of successful experience has amply demonstrated its service to policyholders. The Canada Life Man is a specialist in Life Insurance, and has been thoroughly trained, so that he is qualified to fit each of his clients with the best possible plan of insurance.

His advice in such matters is to be relied upon, because he tries to serve you as the experienced lawyer gives advice to his client, or the physician the best treatment to his patient.

The Service He Offers

You may not be fully informed as to what life insurance will now do for your home, or your personal and business interests.

Your policies may require to be altered to suit new conditions. Perhaps you may wish to arrange to have your life insurance paid as a monthly income. You may require new policies, adjusted to your partnership or business interests. Whatever is needed—he will suggest the best arrangement.

Many thousands of policyholders throughout Canada have found The Canada Life Man always ready to help with any matters pertaining to their life insurance, and in many cases found his advice very valuable.

If you are not yet a policyholder in the Canada Life, but are thinking of securing Life Insurance protection, you can without any obligation whatever obtain any information you desire.

Mail the coupon today. It will bring you real Insurance Service.

Canada Life

Home Office

TORONTO

The Canada Life Assurance Company
Dear Sirs—Without obligation on my part, I am willing to discuss business with the Canada Life.
Name ....
Address ....
Age ....